

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

LEGISLATIVE HISTORY

Public Law 87-749
H. R. 12589

TABLE OF CONTENTS

Index and summary of H. R. 12589	.1
Digest of Public Law 87-749	.2

INDEX AND SUMMARY OF H. R. 12589

Mar. 14, 1962	Sen. Ellender introduced S. 2998 which was referred to the Senate Agriculture and Forestry Committee. Print of bill as introduced.
Apr. 11, 1962	Rep. Abernethy introduced H. R. 11240 which was referred to the House Agriculture Committee. Print of bill as introduced.
July 18, 1962	Rep. Abernethy introduced H. R. 12589 which was referred to the House Agriculture Committee. Print of bill as introduced.
July 27, 1962	House committee voted to report H. R. 12589.
July 30, 1962	House committee reported H. R. 12589 without amendment. H. Report No. 2068.
Aug. 14, 1962	Senate subcommittee voted to report S. 2998
Aug. 20, 1962	House passed H. R. 12589 without amendment.
Aug. 21, 1962	H. R. 12589 was referred to Senate Agriculture and Forestry Committee. Print of bill.
Sept. 5, 1962	Senate committee voted to report (but did not actually report) H. R. 12589.
Sept. 7, 1962	Senate committee reported H. R. 12589 without amendment. S. Report No. 2015. Print of bill and report.
Sept. 25, 1962	Senate passed H. R. 12589 without amendment.
Oct. 5, 1962	Approved: Public Law 87-749.

DIGEST OF PUBLIC LAW 87-749

APPORTIONMENT FORMULA FOR EXTENSION WORK FUNDS. Amends the Smith-Lever Act so as to modify the formula for apportionment of Federal Extension Service funds so that four percent of any increase in appropriations over the 1962 level will go to the Federal Extension Service for Administration and coordination of cooperative extension work and the remaining 96 percent of any increase will go to the States with 20 percent distributed equally, 40 percent on the basis of farm population, and 40 percent on the basis of rural population. Also, the act provides for quarterly, rather than semiannual, payment of extension funds to the States

87TH CONGRESS
2^D SESSION

S. 2998

IN THE SENATE OF THE UNITED STATES

MARCH 14, 1962

Mr. ELLENDER (by request) introduced the following bill; which was read twice
and referred to the Committee on Agriculture and Forestry

A BILL

To repeal certain Acts relating to cooperative agricultural extension work and to amend the Smith-Lever Act of May 8, 1914, as amended, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, territories, and possessions receiving the benefits of an Act of Congress approved July 2, 1862, and of Acts supplementary thereto, and the United States Department of Agriculture.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act of May 8, 1914 (38 Stat. 372), as amended
4 by the Act of June 26, 1953 (7 U.S.C. 341-348) and
5 the Act of August 11, 1955 (7 U.S.C. 347a) is hereby
6 amended to read as follows:

1 “SECTION 1. In order to aid in diffusing among the
2 people of the United States useful and practical information
3 on subjects relating to agriculture and home economics, and
4 to encourage the application of the same, there may be
5 continued or inaugurated in connection with the college or
6 colleges in each State, territory, or possession, now receiving,
7 or which may hereafter receive, the benefits of the Act of
8 Congress approved July 2, 1862, entitled ‘An Act donating
9 public lands to the several States and Territories which may
10 provide colleges for the benefit of agriculture and the
11 mechanic arts’ (Twelfth Statutes at Large, page 503),
12 and of the Act of Congress approved August 30, 1890
13 (Twenty-sixth Statutes at Large, page 417, chapter 841),
14 agricultural extension work which shall be carried on in
15 cooperation with the United States Department of Agricul-
16 ture: *Provided*, That in any State, territory, or possession
17 in which two or more such colleges have been or hereafter
18 may be established, the appropriations hereinafter made to
19 such State, territory, or possession shall be administered by
20 such college or colleges as the legislature of such State, terri-
21 tory, or possession may direct.

22 “SEC. 2. Cooperative agricultural extension work shall
23 consist of the giving of instruction and practical demonstra-
24 tions in agriculture and home economics and subjects relating
25 thereto to persons not attending or resident in said colleges in

1 the several communities, and imparting information on said
2 subjects through demonstrations, publications, and otherwise,
3 and for the necessary printing and distribution of information
4 in connection with the foregoing; and this work shall be car-
5 ried on in such manner as may be mutually agreed upon by
6 the Secretary of Agriculture and the State agricultural college
7 or colleges or territory or possession receiving the benefits of
8 this Act.

9 “SEC. 3. (a) There are hereby authorized to be appro-
10 priated for the purposes of this Act such sums as Congress
11 may from time to time determine to be necessary.

12 “(b) Out of such sums, each State and the Federal
13 Extension Service shall be entitled to receive annually a sum
14 of money equal to the sums available from Federal coopera-
15 tive extension funds for the fiscal year 1962 and subject to the
16 same requirements as to furnishing of equivalent sums by the
17 State, except that amounts heretofore made available to the
18 Secretary for allotment on the basis of special needs shall
19 continue available for use on the same basis.

20 “(c) Any sums made available by the Congress for
21 further development of cooperative extension work in ad-
22 dition to those referred to in subsection (b) hereof shall be
23 distributed as follows: 4 per centum of the sum so appro-
24 priated for each fiscal year shall be allotted to the Federal
25 Extension Service for administrative, technical, and other

1 services, and for coordinating the extension work of the
2 Department and the several States, territories, and posses-
3 sions. Of the remainder so appropriated for each fiscal year,
4 20 per centum shall be paid to the several States in equal
5 proportions, 40 per centum shall be paid to the several States
6 in the proportion that the rural population of each bears to
7 the total rural population of the several States as determined
8 by the census, and the balance shall be paid to the several
9 States in the proportion that the farm population of each
10 bears to the total farm population of the several States as
11 determined by the census: *Provided*, That payments out of
12 the additional appropriations for further development of
13 extension work authorized herein may be made subject to
14 the making available of such sums of public funds by the
15 States from non-Federal funds for the maintenance of co-
16 operative agricultural extension work provided for in this
17 Act, as may be provided by the Congress at the time such
18 additional appropriations are made: *Provided further*, That
19 any appropriation made hereunder shall be allotted in the
20 first and succeeding years on the basis of the decennial census
21 current at the time such appropriation is first made, and as to
22 any increase, on the basis of decennial census current at the
23 time such increase is first appropriated: *And provided further*,
24 That the several States are authorized to utilize the facilities
25 and services available to Federal agencies under titles I and

1 II of the Federal Property and Administrative Services Act
2 of 1949, as amended (5 U.S.C. 630g; 40 U.S.C. 481 and
3 following) for the purpose of acquiring personal property,
4 supplies and services, including the making of purchases from
5 Federal supply service stores and Federal supply schedule
6 contracts and the acquiring of excess personal property by
7 transfer from Federal agencies as may be required in carrying
8 out cooperative agricultural extension work pursuant to the
9 provisions of this Act.

10 “(d) The Federal Extension Service shall receive such
11 additional amounts as Congress shall determine for adminis-
12 tration, technical, and other services and for coordinating the
13 extension work of the Department and the several States,
14 territories, and possessions.

15 “SEC. 4. On or about the first day of July in each year,
16 the Secretary of Agriculture shall ascertain as to each State
17 whether it is entitled to receive its share of the annual ap-
18 propriation for cooperative agricultural extension work under
19 this Act and the amount which it is entitled to receive. Be-
20 fore the funds herein provided shall become available to any
21 college for any fiscal year, plans for the work to be carried
22 on under this Act shall be submitted by the proper officials
23 of each college and approved by the Secretary of Agricul-
24 ture. Such sums shall be paid in equal quarterly payments

1 in or about July, October, January, and April of each year
2 to the treasurer or other officer of the State duly authorized
3 by the laws of the State to receive the same, and such officer
4 shall be required to report to the Secretary of Agriculture, on
5 or about the first day of January of each year, a detailed
6 statement of the amount so received during the previous
7 fiscal year and its disbursement, on forms prescribed by the
8 Secretary of Agriculture.

9 “SEC. 5. If any portion of the moneys received by the
10 designated officer of any State for the support and mainte-
11 nance of cooperative agricultural extension work, as provided
12 in this Act, shall by any action or contingency be diminished
13 or lost or be misapplied, it shall be replaced by said State
14 and until so replaced no subsequent appropriation shall be
15 apportioned or paid to said State. No portion of said moneys
16 shall be applied, directly or indirectly, to the purchase, erec-
17 tion, preservation, or repair of any building or buildings, or
18 the purchase or rental of land, or in college course teaching,
19 lectures in college, or any other purpose not specified in this
20 Act. It shall be the duty of said college, annually, on or
21 about the first day of January, to make to the Governor of
22 the State in which it is located a full and detailed report of
23 its operations in extension work as defined in this Act, includ-
24 ing a detailed statement of receipts and expenditures from all

1 sources for this purpose, a copy of which report shall be
2 sent to the Secretary of Agriculture.

3 "SEC. 6. If the Secretary of Agriculture finds that a State
4 is not entitled to receive its share of the annual appropriation,
5 the facts and reasons therefor shall be reported to the Presi-
6 dent, and the amount involved shall be kept separate in the
7 Treasury until the expiration of the Congress next succeeding
8 a session of the legislature of the State from which funds have
9 been withheld in order that the State may, if it should so
10 desire, appeal to Congress from the determination of the
11 Secretary of Agriculture. If the next Congress shall not
12 direct such sum to be paid, it shall be covered into the
13 Treasury.

14 "SEC. 7. (a) The Congress finds that there exists
15 special circumstances in certain agricultural areas which
16 cause such areas to be a disadvantage insofar as agricul-
17 tural development is concerned, which circumstances include
18 the following: (1) There is concentration of farm families
19 on farms either too small or too unproductive or both; (2)
20 such farm operators because of limited productivity are
21 unable to make adjustments and investments required to
22 establish profitable operations; (3) the productive capacity
23 of the existing farm unit does not permit profitable employ-
24 ment of available labor; (4) because of limited resources,

1 many of these farm families are not able to make full use of
2 current extension programs designed for families operating
3 economic units nor are extension facilities adequate to pro-
4 vide the assistance needed to produce desirable results.

5 “(b) In order to further the purposes of section 2 in
6 such areas and to encourage complementary development
7 essential to the welfare of such areas, there are hereby
8 authorized to be appropriated such sums as the Congress
9 from time to time shall determine to be necessary for pay-
10 ments to the States on the basis of special needs in such
11 areas as determined by the Secretary of Agriculture.

12 “(c) In determining that the area has such special
13 need, the Secretary shall find that it has a substantial num-
14 ber of disadvantaged farms or farm families for one or more
15 of the reasons heretofore enumerated. The Secretary shall
16 make provisions for the assistance to be extended to include
17 one or more of the following: (1) Intensive on-the-farm
18 educational assistance to the farm family in appraising and
19 resolving its problems; (2) assistance and counseling to local
20 groups in appraising resources for capability of improvement
21 in agriculture or introduction of industry designed to supple-
22 ment farm income; (3) cooperation with other agencies and
23 groups in furnishing all possible information as to existing
24 employment opportunities, particularly to farm families
25 having underemployed workers; and (4) in cases where

1 the farm family, after analysis of its opportunities and exist-
2 ing resources, finds it advisable to seek a new farming ven-
3 ture, the providing of information, advice, and counsel in
4 connection with making such change.

5 “(d) No more than 10 per centum of the sums available
6 under this section shall be allotted to any one State. The
7 Secretary shall use project proposals and plans of work sub-
8 mitted by the State extension directors as a basis for deter-
9 mining the allocation of funds appropriated pursuant to this
10 section.

11 “(e) Sums appropriated pursuant to this section shall
12 be in addition to, and not in substitution for, appropriations
13 otherwise available under this Act. The amounts authorized
14 to be appropriated pursuant to this section shall not exceed
15 a sum in any year equal to 10 per centum of sums otherwise
16 appropriated pursuant to this Act.

17 “SEC. 8. The Secretary of Agriculture is authorized to
18 make such rules and regulations as may be necessary for
19 carrying out the provisions of this Act.

20 “SEC. 9. The term ‘State’ means the States of the
21 Union and Puerto Rico.”

A BILL

To repeal certain Acts relating to cooperative agricultural extension work and to amend the Smith-Lever Act of May 8, 1914, as amended, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, territories, and possessions receiving the benefits of an Act of Congress approved July 2, 1862, and of Acts supplementary thereto, and the United States Department of Agriculture.

By Mr. ELLENDER

MARCH 14, 1962

Read twice and referred to the Committee on
Agriculture and Forestry

87TH CONGRESS
2^D SESSION

H. R. 11240

IN THE HOUSE OF REPRESENTATIVES

APRIL 11, 1962

Mr. ABERNETHY introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Smith-Lever Act of May 8, 1914, as amended, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, territories, and possessions receiving the benefits of an Act of Congress approved July 2, 1862, and of Acts supplementary thereto, and the United States Department of Agriculture.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act of May 8, 1914 (38 Stat. 372), as amended
4 by the Act of June 26, 1953 (7 U.S.C. 341-348) and
5 the Act of August 11, 1955 (7 U.S.C. 347a) is hereby
6 amended to read as follows:

1 “SECTION 1. In order to aid in diffusing among the
2 people of the United States useful and practical information
3 on subjects relating to agriculture and home economics, and
4 to encourage the application of the same, there may be
5 continued or inaugurated in connection with the college or
6 colleges in each State, territory, or possession, now receiving,
7 or which may hereafter receive, the benefits of the Act of
8 Congress approved July 2, 1862, entitled ‘An Act donating
9 public lands to the several States and Territories which may
10 provide colleges for the benefit of agriculture and the
11 mechanic arts’ (Twelfth Statutes at Large, page 503),
12 and of the Act of Congress approved August 30, 1890
13 (Twenty-sixth Statutes at Large, page 417, chapter 841),
14 agricultural extension work which shall be carried on in
15 cooperation with the United States Department of Agriculture:
16 *Provided*, That in any State, territory, or possession
17 in which two or more such colleges have been or hereafter
18 may be established, the appropriations hereinafter made to
19 such State, territory, or possession shall be administered by
20 such college or colleges as the legislature of such State, territory,
21 or possession may direct.

22 “SEC. 2. Cooperative agricultural extension work shall
23 consist of the giving of instruction and practical demonstra-
24 tions in agriculture and home economics and subjects relating
25 thereto to persons not attending or resident in said colleges in

1 the several communities, and imparting information on said
2 subjects through demonstrations, publications, and otherwise,
3 and for the necessary printing and distribution of information
4 in connection with the foregoing; and this work shall be car-
5 ried on in such manner as may be mutually agreed upon by
6 the Secretary of Agriculture and the State agricultural college
7 or colleges or territory or possession receiving the benefits of
8 this Act.

9 “SEC. 3. (a) There are hereby authorized to be appro-
10 priated for the purposes of this Act such sums as Congress
11 may from time to time determine to be necessary.

12 “(b) Out of such sums, each State and the Federal
13 Extension Service shall be entitled to receive annually a sum
14 of money equal to the sums available from Federal coopera-
15 tive extension funds for the fiscal year 1962 and subject to the
16 same requirements as to furnishing of equivalent sums by the
17 State, except that amounts heretofore made available to the
18 Secretary for allotment on the basis of special needs shall
19 continue available for use on the same basis.

20 “(c) Any sums made available by the Congress for
21 further development of cooperative extension work in ad-
22 dition to those referred to in subsection (b) hereof shall be
23 distributed as follows: 4 per centum of the sum so appro-
24 priated for each fiscal year shall be allotted to the Federal
25 Extension Service for administrative, technical, and other

1 services, and for coordinating the extension work of the
2 Department and the several States, territories, and posses-
3 sions. Of the remainder so appropriated for each fiscal year,
4 20 per centum shall be paid to the several States in equal
5 proportions, 40 per centum shall be paid to the several States
6 in the proportion that the rural population of each bears to
7 the total rural population of the several States as determined
8 by the census, and the balance shall be paid to the several
9 States in the proportion that the farm population of each
10 bears to the total farm population of the several States as
11 determined by the census: *Provided*, That payments out of
12 the additional appropriations for further development of
13 extension work authorized herein may be made subject to
14 the making available of such sums of public funds by the
15 States from non-Federal funds for the maintenance of co-
16 operative agricultural extension work provided for in this
17 Act, as may be provided by the Congress at the time such
18 additional appropriations are made: *Provided further*, That
19 any appropriation made hereunder shall be allotted in the
20 first and succeeding years on the basis of the decennial census
21 current at the time such appropriation is first made, and as to
22 any increase, on the basis of decennial census current at the
23 time such increase is first appropriated: *And provided further*,
24 That the several States are authorized to utilize the facilities
25 and services available to Federal agencies under titles I and

1 II of the Federal Property and Administrative Services Act
2 of 1949, as amended (5 U.S.C. 630g; 40 U.S.C. 481 and
3 following) for the purpose of acquiring personal property,
4 supplies and services, including the making of purchases from
5 Federal supply service stores and Federal supply schedule
6 contracts and the acquiring of excess personal property by
7 transfer from Federal agencies as may be required in carrying
8 out cooperative agricultural extension work pursuant to the
9 provisions of this Act.

10 “(d) The Federal Extension Service shall receive such
11 additional amounts as Congress shall determine for adminis-
12 tration, technical, and other services and for coordinating the
13 extension work of the Department and the several States,
14 territories, and possessions.

15 “SEC. 4. On or about the first day of July in each year,
16 the Secretary of Agriculture shall ascertain as to each State
17 whether it is entitled to receive its share of the annual ap-
18 propriation for cooperative agricultural extension work under
19 this Act and the amount which it is entitled to receive. Be-
20 fore the funds herein provided shall become available to any
21 college for any fiscal year, plans for the work to be carried
22 on under this Act shall be submitted by the proper officials
23 of each college and approved by the Secretary of Agricul-
24 ture. Such sums shall be paid in equal quarterly payments

1 in or about July, October, January, and April of each year
2 to the treasurer or other officer of the State duly authorized
3 by the laws of the State to receive the same, and such officer
4 shall be required to report to the Secretary of Agriculture, on
5 or about the first day of January of each year, a detailed
6 statement of the amount so received during the previous
7 fiscal year and its disbursement, on forms prescribed by the
8 Secretary of Agriculture.

9 “SEC. 5. If any portion of the moneys received by the
10 designated officer of any State for the support and mainte-
11 nance of cooperative agricultural extension work, as provided
12 in this Act, shall by any action or contingency be diminished
13 or lost or be misapplied, it shall be replaced by said State
14 and until so replaced no subsequent appropriation shall be
15 apportioned or paid to said State. No portion of said moneys
16 shall be applied, directly or indirectly, to the purchase, erec-
17 tion, preservation, or repair of any building or buildings, or
18 the purchase or rental of land, or in college course teaching,
19 lectures in college, or any other purpose not specified in this
20 Act. It shall be the duty of said college, annually, on or
21 about the first day of January, to make to the Governor of
22 the State in which it is located a full and detailed report of
23 its operations in extension work as defined in this Act, includ-
24 ing a detailed statement of receipts and expenditures from all

1 sources for this purpose, a copy of which report shall be
2 sent to the Secretary of Agriculture.

3 "SEC. 6. If the Secretary of Agriculture finds that a State
4 is not entitled to receive its share of the annual appropriation,
5 the facts and reasons therefor shall be reported to the Presi-
6 dent, and the amount involved shall be kept separate in the
7 Treasury until the expiration of the Congress next succeeding
8 a session of the legislature of the State from which funds have
9 been withheld in order that the State may, if it should so
10 desire, appeal to Congress from the determination of the
11 Secretary of Agriculture. If the next Congress shall not
12 direct such sum to be paid, it shall be covered into the
13 Treasury.

14 "SEC. 7. (a) The Congress finds that there exists
15 special circumstances in certain agricultural areas which
16 cause such areas to be a disadvantage insofar as agricul-
17 tural development is concerned, which circumstances include
18 the following: (1) There is concentration of farm families
19 on farms either too small or too unproductive or both; (2)
20 such farm operators because of limited productivity are
21 unable to make adjustments and investments required to
22 establish profitable operations; (3) the productive capacity
23 of the existing farm unit does not permit profitable employ-
24 ment of available labor; (4) because of limited resources,

1 many of these farm families are not able to make full use of
2 current extension programs designed for families operating
3 economic units nor are extension facilities adequate to pro-
4 vide the assistance needed to produce desirable results.

5 “(b) In order to further the purposes of section 2 in
6 such areas and to encourage complementary development
7 essential to the welfare of such areas, there are hereby
8 authorized to be appropriated such sums as the Congress
9 from time to time shall determine to be necessary for pay-
10 ments to the States on the basis of special needs in such
11 areas as determined by the Secretary of Agriculture.

12 “(c) In determining that the area has such special
13 need, the Secretary shall find that it has a substantial num-
14 ber of disadvantaged farms or farm families for one or more
15 of the reasons heretofore enumerated. The Secretary shall
16 make provisions for the assistance to be extended to include
17 one or more of the following: (1) Intensive on-the-farm
18 educational assistance to the farm family in appraising and
19 resolving its problems; (2) assistance and counseling to local
20 groups in appraising resources for capability of improvement
21 in agriculture or introduction of industry designed to supple-
22 ment farm income; (3) cooperation with other agencies and
23 groups in furnishing all possible information as to existing
24 employment opportunities, particularly to farm families
25 having underemployed workers; and (4) in cases where

1 the farm family, after analysis of its opportunities and exist-
2 ing resources, finds it advisable to seek a new farming ven-
3 ture, the providing of information, advice, and counsel in
4 connection with making such change.

5 “(d) No more than 10 per centum of the sums available
6 under this section shall be allotted to any one State. The
7 Secretary shall use project proposals and plans of work sub-
8 mitted by the State extension directors as a basis for deter-
9 mining the allocation of funds appropriated pursuant to this
10 section.

11 “(e) Sums appropriated pursuant to this section shall
12 be in addition to, and not in substitution for, appropriations
13 otherwise available under this Act. The amounts authorized
14 to be appropriated pursuant to this section shall not exceed
15 a sum in any year equal to 10 per centum of sums otherwise
16 appropriated pursuant to this Act.

17 “SEC. 8. The Secretary of Agriculture is authorized to
18 make such rules and regulations as may be necessary for
19 carrying out the provisions of this Act.

20 “SEC. 9. The term ‘State’ means the States of the
21 Union and Puerto Rico.”

A BILL

To amend the Smith-Lever Act of May 8, 1914, as amended, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, territories, and possessions receiving the benefits of an Act of Congress approved July 2, 1862, and of Acts supplementary thereto, and the United States Department of Agriculture.

By Mr. ABERNETHY

APRIL 11, 1962

Referred to the Committee on Agriculture

87TH CONGRESS
2D SESSION

H. R. 12589

IN THE HOUSE OF REPRESENTATIVES

JULY 18, 1962

Mr. ABERNETHY introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Smith-Lever Act of May 8, 1914, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act of May 8, 1914 (38 Stat. 372), as amended
4 by the Act of June 26, 1953 (7 U.S.C. 341-348), and by
5 the Act of August 11, 1955 (7 U.S.C. 347a), is hereby
6 amended as follows:

7 (a) Section 2 is amended by inserting the words "or
8 Territory or possession" immediately before the words "re-
9 ceiving the benefits of this Act."

10 (b) Subsection 3 (b) is amended by: (1) deleting the
11 phrase " , Alaska, Hawaii, Puerto Rico,"; (2) substituting

1 the word "available" for the word "received"; (3) substitut-
2 ing the date "1962" for the date "1953"; (4) deleting the
3 phrase "such sums shall be"; (5) deleting the phrase "
4 Alaska, Hawaii, and Puerto Rico as existed immediately
5 prior to the passage of this Act"; and (6) deleting the pro-
6 viso to said subsection.

7 (c) Subsection 3 (c) 1 is amended to read as follows:

8 "1. Four per centum of the sum so appropriated for
9 each fiscal year shall be allotted to the Federal Exten-
10 sion Service for administrative, technical, and other
11 services, and for coordinating the extension work of the
12 Department and the several States, Territories, and pos-
13 sessions."

14 (d) Subsection 3 (c) 2 is amended by: (1) deleting so
15 much thereof as precedes the first proviso and substituting
16 therefor the following: "Of the remainder so appropriated for
17 each fiscal year 20 per centum shall be paid to the sev-
18 eral States in equal proportions, 40 per centum shall be
19 paid to the several States in the proportion that the rural
20 population of each bears to the total rural population of the
21 several States as determined by the census, and the balance
22 shall be paid to the several States in the proportion that the
23 farm population of each bears to the total farm population of
24 the several States as determined by the census:"; and (2)

1 deleting the phrase “, Alaska, Hawaii, and Puerto Rico”
2 from the first proviso.

3 (e) Subsection 3 (d) is amended by adding the word
4 “additional” immediately after the word “such” in said sub-
5 section.

6 (f) Section 4 is amended by (1) deleting the phrase
7 “, Territory or possession” wherever it appears in said sec-
8 tion; and (2) by striking out the phrase “equal semi-annual
9 payments on the first day of January and July” and sub-
10 stituting the phrase “equal quarterly payments in or about
11 July, October, January, and April”.

12 (g) Sections 5 and 6 are amended by deleting there-
13 from the phrases “, Territory, or possession,” and “, Terri-
14 tory, or possession” wherever they occur therein.

15 (h) Subsection 8 (b) is amended by deleting the phrase
16 “, Alaska, Hawaii, and Puerto Rico”.

17 (i) By adding a new section 10 reading as follows:
18 “The term ‘State’ means the States of the Union and Puerto
19 Rico.”

87TH CONGRESS
2^D SESSION

H. R. 12589

A BILL

To amend the Smith-Lever Act of May 8, 1914,
as amended.

By Mr. ABERNETHY

JULY 18, 1962

Referred to the Committee on Agriculture

July 27, 1962

"Title III (Subtitle B)---Wheat Program"

"A marketing certificate plan under which noncertificated wheat would be supported at a level determined after consideration of its feed value and world price, and certificated wheat would be supported at between 65 and 90 percent of parity. Certificates would be issued to producers for all wheat consumed domestically for food and such part of the exports as determined by the Secretary would carry out the price and income objectives of the bill.

"Title IV---Credit"

- "1. Farmers Home Administration loans for recreational facilities and sewers.
- "2. An increase (from \$10 million to \$25 million) in the amount of direct FHA real estate loans for immediate resale which can be made from the agricultural credit insurance fund.
- "3. A single loan fund for Rural Electrification Administration loans, to include funds appropriated, borrowed, or repaid, and to be available for loans only as authorized in appropriation acts.

"Title V---Industrial Uses of Agricultural Products"

"Establishes an Agricultural Research and Industrial Use Administration within the Department of Agriculture to coordinate and expedite an expanded research program on industrial uses of agricultural commodities."

HOUSE

12. FORESTRY. The agriculture Committee voted to report (but did not actually report) H. R. 12688 (amended), to authorize the Secretary of Agriculture to encourage and assist the States in carrying on a program of forestry research; H. R. 9728, to amend the Cooperative Forest Management Act to increase the appropriation authorization from \$2.5 million to \$5 million; S. 3064 (amended), to increase the authorization for the national survey of forest resources; S. 3112 (amended), to add certain lands to the Pike National Forest in Colo. and the Carson and Santa Fe National Forests in N. M.; and H. R. 7195 (amended), to add certain lands to the Wasatch National Forest, Utah. The Subcommittee on Forests of the Agriculture Committee voted to report to the full committee H. R. 11111, authorizing the Secretary of Agriculture to sell and convey certain forest lands in Iowa. p. D646
13. EXTENSION WORK; RESEARCH. The Agriculture Committee voted to report (but did not actually report) H. R. 12589, to amend the Smith-Lever Act so as to revise the formula for apportioning funds among the States, and H. R. 12568 (a clean bill to be introduced), to assist States to provide additional facilities for research at the State agricultural experiment stations. p. D646
14. APPROPRIATIONS. Received (during adjournment of the House) the conference report on H. R. 10802, the Department of Interior and related agencies, including Forest Service, appropriation bill for 1963. (H. Rept. 2049) (pp. 13968-70). At the end of this Digest is a table showing the action of the conferees on Forest Service items.
The Appropriations Committee voted to report (but did not actually report) the independent offices appropriation bill for 1963. p. D647

ITEMS IN APPENDIX

15. PERSONNEL. Extension of remarks of Sen. Mundt criticizing the increase in the number of Federal employees, and inserting an article, "The Federal Diary--New Policy Aims at More Output Per U. S. Employee." p. A5796

16. BUDGETING. Extension of remarks of Sen. Byrd inserting a resolution by the Virginia Bankers Association urging a reduction of Federal expenditures. p.A5797
17. RECLAMATION. Speech in the House of Rep. Aspinall supporting the Mann Creek Federal Reclamation Project, Idaho. p. A5802
Speech in the House of Rep. Saylor opposing the Mann Creek Federal Reclamation Project, Idaho. pp. A5804-5

BILLS INTRODUCED

18. WHEAT. S. 3574 by Sen. Ellender (by request), to extend the International Wheat Agreement Act of 1949; to Agriculture and Forestry Committee.
19. WATER RESOURCES. S. 3579, by Sen. Anderson, to establish water resources research institutes at land-grant colleges and State universities, and to promote a more adequate national program of water research, to Interior and Insular Affairs Committee. Remarks of author, pp. 13961-5

0

COMMITTEE HEARINGS JULY 30:

Marketing orders for potatoes, H. Agriculture (Hedlund, AMS, to testify).
Wilderness preservation bill, H. Interior (exec).
Foreign trade bill, S. Finance.
Indirect costs in research grants, H. Science and Astronautics.
Federal pay bill, S. Civil Service.
Foreign aid appropriations, H. Appropriations (exec).
Travel by Government employees on U. S. air carriers, S. Commerce.

oOo

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued July 31, 1962
For actions of July 28 & 30, 1962
87th-2d, Nos.
130 & 131

CONTENTS

Information.....	23
Lands.....	3,10
Life insurance.....	26
Loans.....	7,29
Meatpackers.....	29
Mineral leases.....	27
Mining.....	5
Nominations.....	31
Oyster loans.....	7,29
Patents.....	32
Peace Corps.....	13
Personnel.....	9,24,26
Property.....	23
Public facilities.....	7
Research.....	2,3,21
Small business.....	19
Transportation.....	28
Water pollution.....	14
Weather.....	32

Adjournment.....	16
Appropriations.....	1,2,25
Civil defense.....	2
Communications.....	15,17
Education.....	11
Electrification.....	20
Employment.....	24
Experiment stations.....	21
Extension work.....	4,21
Farm housing.....	6
Farm program.....	12
Food additives.....	22
Food for peace.....	18
Foreign affairs.....	8
Forest Service.....	1
Forestry.....	3,30
Health benefits.....	9
Housing.....	6

HIGHLIGHTS: House agreed to conference report on Interior appropriation bill. House began debate on independent offices appropriation bill. Rep. Fountain defended his subcommittee's action in Estes case. House committee reported bills for expansion of survey of forest resources, to aid States in forestry research, increase authorization under Cooperative Forest Management Act, provide additional research facilities for experiment stations, revise distribution formula for extension funds, and add certain lands to national forests. House committee reported bill for housing for elderly in rural areas.

HOUSE - July 30

1. **INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1963.** Agreed to the Conference report on this bill, H. R. 10802, and acted on the amendment in disagreement (relating to Indian claims) (pp. 13975-7). See Digest 129 for a summary of Forest Service items.
2. **INDEPENDENT OFFICES APPROPRIATION BILL, 1963.** Began and concluded general debate on this bill, H. R. 12711 (pp. 13980-14019). This bill was reported by the Appropriations Committee on July 27, during adjournment of the House (H. Rept. 2050) (p. 14030). Agreed to an amendment by Rep. Miller, Calif., to provide that none of the funds shall be used to pay any recipient of a grant for the conduct of a research project an amount for indirect expenses in connection with the project in excess of 25 percent of the direct costs (the bill as reported provided a limitation of 20 percent)(p. 14014-18). The bill includes funds for the Office of Emergency Planning (including civil defense and defense

mobilization functions of Federal agencies), Office of Science and Technology, Civil Service Commission, Federal Trade Commission, General Accounting Office, General Services Administration, Housing and Home Finance Agency, Interstate Commerce Commission, National Science Foundation, and Veterans Administration.

3. FORESTRY. The Agriculture Committee reported the following bills:
 - S. 3064, with amendment, to increase the authorization for the national survey of forest resources (H. Rept. 2063);
 - S. 3112, with amendment, to add certain lands to the Pike National Forest in Colo. and the Carson and Santa Fe National Forests in N. M. (H. Rept. 2064);
 - H. R. 12688, with amendment, to authorize the Secretary of Agriculture to encourage and assist the States in carrying on a program of forestry research (H. Rept. 2065);
 - H. R. 7195, with amendment, to add certain lands to the Wasatch National Forest, Utah (H. Rept. 2066);
 - H. R. 9728, without amendment, to amend the Cooperative Forest Management Act to increase the appropriation authorization from \$2.5 million to \$5 million (H. Rept. 2067). p. 10430
4. EXTENSION WORK. The Agriculture Committee reported without amendment H. R. 12589, to amend the Smith-Lever Act so as to revise the formula for apportioning funds among the States (H. Rept. 2068). p. 14030
5. MINING. The Interior and Insular Affairs Committee reported with amendment H. R. 9280, to amend Sec. 2 of the Materials Act (H. Rept. 2055); H. R. 10540, to exclude deposits of petrified wood from appropriation under the U. S. mining laws (H. Rept. 2056); and H. R. 11049, to provide for the relief of certain oil and gas lessees under the Mineral Leasing Act (H. Rept. 2057). p. 14030
6. HOUSING. The Banking and Currency Committee reported on July 28 (during adjournment of the House) with amendment H. R. 12628, to authorize a program of housing for the elderly in rural areas (H. Rept. 2052). p. 14030
7. LOANS. Concurred in the Senate amendments to H. R. 7336, to promote the production of oysters by propagation of disease-resistant strains. This bill will now be sent to the President. p. 13975
The Banking and Currency Committee reported on July 28 (during adjournment of the House) with amendment S. 3327, to make certain federally impacted areas eligible for assistance under the public facility loan program (H. Rept. 2051). p. 13975
8. FOREIGN AFFAIRS. The Foreign Affairs Committee issued a report pertaining to a center for culture and technical interchange between East and West (H. Rept. 2060). p. 14030
9. PERSONNEL. Received from the Civil Service Commission a proposed bill "to amend the Retired Federal Employees Health Benefits Act with respect to Government contribution for expenses incurred in the administration of such act"; to Post Office and Civil Service Committee. p. 14030
10. PUBLIC LANDS. The Subcommittee on Public Lands of the Interior and Insular Affairs Committee voted to report to the full committee with amendment H. R. 11266, to amend the act of March 8, 1922, to extend its provisions to the townsite laws applicable in Alaska. p. D654
11. EDUCATION. Rep. Green, Ore., urged the conferees to agree to file a conference report on H. R. 8900, the proposed College Academic Facilities and Scholarship Act. pp. 14021-2

EXTENSION SERVICE—DISTRIBUTION OF FUNDS

JULY 30, 1962.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitted the following

R E P O R T

[To accompany H.R. 12589]

The Committee on Agriculture, to whom was referred the bill (H.R. 12589) to amend the Smith-Lever Act of May 8, 1949, as amended, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

The purpose of this bill is to amend the Smith-Lever Act (the basic statute providing for the Federal Extension Service) to provide that funds which are appropriated for the Extension Service in excess of the amount appropriated in 1962 shall be distributed under a slightly different formula than applies, and will continue to apply, to funds appropriated up to the 1962 level. The new formula has the approval of all the State extension directors and of the Department of Agriculture.

HEARINGS

Hearings were held on H.R. 11240 and spokesmen for the Department of Agriculture, the State extension service directors, the American Farm Bureau Federation, and the Farmers Union appeared in support of the bill. H.R. 11240 was a lengthy bill which amended several sections of the Smith-Lever Act by restating those sections, even though the changes therein were slight or even of a technical nature. It appeared to the subcommittee that the bill would be much more understandable if it were drafted to show the changes by the method of striking out and inserting, rather than by repeating all of the language of the existing law. It, accordingly, ordered a clean bill drafted and introduced and that bill (H.R. 12589) is herewith reported.

The only substantive change made by the committee in H.R. 11240

was to eliminate therefrom a section which would have given the State extension services the status of a Federal agency in obtaining surplus Federal personal property from the General Services Administration. The committee is sympathetic to this proposal but it believes that this is a matter which should more properly be considered by another committee of the House and should not be made a part of the Smith-Lever Act.

BACKGROUND

The Smith-Lever Act was approved on May 8, 1914, for the purpose of establishing and financing, cooperatively with the States, the Federal Extension Service. It has not been substantially modified since that time.

The bill reported herewith does not change the scope, nature, or manner in which the cooperative program is carried out. It does provide a slightly different method of distributing any increase in funds among the States and the Federal Extension Service.

Prior to 1953 a variety of formulas were in effect for the distribution of Extension Service funds. These had been established from time to time in almost a dozen laws which had been enacted authorizing increases in the funds to be made available for this service. In 1953 these acts were consolidated into a revised Smith-Lever Act and a new formula was established for distributing any additional funds appropriated above the 1953 level. That formula has remained in effect since then and approximately \$25 million of the \$58 million appropriated in 1962 was distributed on the basis of the 1953 formula.

The following table shows the distribution of Federal Extension Service funds to the States in the fiscal year 1962 and the distribution which would be made, under the terms of this bill, of each additional \$1 million hereafter appropriated above the 1962 level.

State	Distribution of fiscal year 1962 appropriation in accordance with sec. 3(b) of Smith-Lever Act	Distribution per \$1,000,000 of any increased appropriations over fiscal year 1962 in accord- ance with H.R. 12589	State	Distribution of fiscal year 1962 appropriation in accordance with sec. 3(b) of Smith-Lever Act	Distribution per \$1,000,000 of any increased appropriations over fiscal year 1962 in accord- ance with H.R. 12589
Alabama.....	\$2,070,148	\$24,870	New Hampshire..	\$201,477	\$6,022
Alaska.....	83,440	4,798	New Jersey.....	428,357	9,953
Arizona.....	278,491	7,399	New Mexico.....	355,453	7,589
Arkansas.....	1,682,683	19,799	New York.....	1,569,390	29,527
California.....	1,500,586	27,660	North Carolina..	2,824,482	44,691
Colorado.....	519,164	10,408	North Dakota....	601,907	12,125
Connecticut.....	305,301	8,239	Ohio.....	2,043,549	35,707
Delaware.....	139,867	5,370	Oklahoma.....	1,407,429	16,745
Florida.....	705,341	15,559	Oregon.....	576,754	12,135
Georgia.....	2,166,353	26,987	Pennsylvania....	2,057,719	35,697
Hawaii.....	267,659	5,092	Puerto Rico.....	1,793,387	33,954
Idaho.....	394,017	9,778	Rhode Island....	107,381	4,680
Illinois.....	1,787,074	32,421	South Carolina..	1,509,489	22,963
Indiana.....	1,493,102	29,025	South Dakota....	602,251	12,184
Iowa.....	1,595,270	30,625	Tennessee.....	2,084,488	31,411
Kansas.....	1,059,143	18,312	Texas.....	3,276,639	39,104
Kentucky.....	2,056,781	30,240	Utah.....	261,044	6,486
Louisiana.....	1,351,042	18,357	Vermont.....	250,840	6,747
Maine.....	388,549	8,340	Virginia.....	1,703,157	26,707
Maryland.....	556,232	12,613	Washington.....	718,260	14,482
Massachusetts....	436,660	10,591	West Virginia...	1,057,519	15,000
Michigan.....	1,641,807	30,124	Wisconsin.....	1,528,923	28,631
Minnesota.....	1,528,721	28,582	Wyoming.....	197,941	5,914
Mississippi.....	2,134,382	27,833	Special needs....	1,544,909	-----
Missouri.....	1,800,597	28,374	Federal Exten- sion Service....	-----	40,000
Montana.....	385,816	8,949			
Nebraska.....	886,560	16,576			
Nevada.....	102,469	4,625	Total.....	58,020,000	1,000,000

RECOMMENDATION OF EXTENSION SERVICE DIRECTORS

For the past several years the State extension directors, and others, have been in agreement that the formula did not distribute the funds among the States as equitably as it should. In 1956, the States set up a committee of State extension directors to study the subject and to develop and report on various formulas involving a variety of factors for review by the State directors. The formula as embodied in H.R. 12589 is the result of their deliberations. In 1958, the State directors approved the proposed formula unanimously. It was decided, however, that proposed legislation implementing the revised formula should be delayed until the 1960 Census of Farm and Rural Population was available.

At the 1961 land-grant college meeting, the State extension directors reviewed the available census data and again acted unanimously for the formula change to apply to any additional Federal funds, and instructed the Extension Legislative Subcommittee to draft proposed legislation implementing this action. H.R. 12589 encompasses the recommendations of the extension directors. This proposal is sponsored by the extension directors and was introduced at their request.

Following the subcommittee hearing on H.R. 11240, the subcommittee chairman, Hon. Thomas G. Abernethy, wrote to all of the State extension service directors asking for their position with respect to the proposed legislation and replies were received from all 50 State directors unanimously endorsing the bill.

NEW FORMULA

The proposed new formula would only apply to funds made available by Congress in addition to those available in 1962. Therefore, there would be no change in the share which each State is presently entitled to receive.

The proposed formula provides, under section 3(c), that 96 percent of any increased funds be distributed to the States and Puerto Rico, and the remaining 4 percent allocated to the Federal Extension Service for administration and coordination of cooperative extension work.

Of the 96 percent for payments to the States, 20 percent would be distributed equally, 40 percent on the basis of rural population, and 40 percent on the basis of farm population. In arriving at this formula, the State extension directors determined that distributing 20 percent equally to the States takes into consideration the fact that there are certain costs common to all States, regardless of population or size. The large percentage distributed on the basis of farm and rural population is believed by the directors to be an equitable arrangement based on workload and other needs.

The provision that 4 percent be allocated to the Federal Extension Service was adopted by the State extension services to take into consideration their needs for assistance from the Federal office. These requests for assistance cover a wide range of program leadership fields and the requests have increased substantially over the past few years. The States believe that this type of assistance not only contributes to the effectiveness of State programs, but also increases the effectiveness of the total effort.

The proposed bill would authorize advance payments to the States on a quarterly basis similar to the installment basis on which experiment station funds are allocated. Federal extension funds are currently allocated to the States on a semiannual basis. This change is proposed because it would decrease the amount of money which the Federal Treasury would have to borrow to make advance payments. These interest savings are considerable and would not involve any problems insofar as Federal or State fiscal or program operations are concerned.

DEPARTMENTAL APPROVAL

Following is the letter from the Secretary of Agriculture recommending enactment of this proposed legislation. The Bureau of the Budget indicated its concurrence subsequent to the writing of the Secretary's letter.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 11, 1962.

HON. HAROLD D. COOLEY,
*Chairman, Committee on Agriculture,
House of Representatives.*

DEAR CONGRESSMAN COOLEY: This is in reply to the request of your committee for a report on H.R. 11240, a bill to amend the Smith-Lever Act of May 8, 1914, as amended, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, territories, and possessions receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the U.S. Department of Agriculture.

The Department supports the objectives of H.R. 11240, and recommends enactment of the bill.

The primary objectives of the bill are to: (1) Provide that each State and Puerto Rico shall be entitled to receive annually a sum equal to the sums received for the fiscal year 1962; (2) revise the formula for distributing amounts which may be appropriated in excess of the amounts allotted under (1) above; (3) allocate Federal funds to the States and Puerto Rico quarterly rather than on a semiannual basis; and (4) make available to the State and Puerto Rico extension services increased use of General Services Administration facilities and excess Government property.

A more detailed description of the substantive amendments follows:

Section 3(b): The bill would amend section 3(b) to provide that each State and the Federal Extension Service shall be entitled to receive annually a sum equal to the sums received from Federal cooperative extension funds for the fiscal year 1962. This does not change the share each State is presently entitled to receive, regardless of population changes as reflected in the census. Under the present subsection 3(b), each State is entitled to receive an amount equal to the sums received for the fiscal year 1953, and under the present subsection 3(c) each State is entitled to receive any increase, over that necessary to make the allotments under subsection 3(b), on the basis of the census current at the time such increase was first appropriated. The matching provision remains the same. The present proviso in this subsection is omitted since Puerto Rico is now receiving the maximum set forth in such proviso.

Section 3(c): The formula for distribution of funds over those allocated under section 3(b) is revised to provide: 4 percent of such funds to the Federal Extension Service for administration and coordination of cooperative extension work and the remaining 96 percent to the States with 20 percent distributed equally, 40 percent on the basis of farm population and 40 percent on the basis of rural population. The matching provision remains the same.

Currently, the funds under this subsection are distributed to the States and Puerto Rico on the basis of 4 percent for special need purposes as determined by the Department, 48 percent on rural population, and 48 percent on farm population.

It is believed that the revised formula provides a more equitable disposition of funds and will advance the cooperative program on a nationwide basis.

The provision (beginning with line 23 on page 4) for the States to use General Services Administration facilities, including stores and supply schedules, and the entitlement to excess Federal property would permit economies in State extension service operations.

Section 4: Currently, funds are allocated to the States on a semi-annual basis. The proposed bill would authorize payments on a quarterly basis. This should decrease the amount of money which the Treasury would have to borrow to make advance payments, with a resulting lower interest cost to the Treasury.

Other amendments include the definition of "State" in section 9 of the bill to mean the States and Puerto Rico, and the omission of the words "Alaska", "Hawaii", and "Puerto Rico" in certain sections of the bill. The present sections 8 and 9 become sections 7 and 8, due to the repeal in 1960 of section 7 of the act, providing for certain reports (74 Stat. 249).

A committee representing the American Association of Land-Grant Colleges and Universities worked closely with representatives of the Department in developing the background facts in connection with H.R. 11240.

In view of the request that the report be submitted immediately, we have not obtained the advice of the Budget Bureau on this proposed legislation.

Sincerely yours,

ORVILLE L. FREEMAN, *Secretary*.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

ACT OF MAY 8, 1914 (38 STAT. 372), AS AMENDED BY THE ACT OF JUNE 26, 1953, AND THE ACT OF AUGUST 11, 1955

SECTION 1. In order to aid in diffusing among the people of the United States useful and practical information on subjects relating to agriculture and home economics, and to encourage the application of the same, there may be continued or inaugurated in connection with the college or colleges in each State, Territory, or possession, now re-

ceiving, or which may hereafter receive, the benefits of the Act of Congress approved July second, eighteen hundred and sixty-two, entitled "An Act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts" (Twelfth Statutes at Large, page five hundred and three), and of the Act of Congress approved August thirtieth, eighteen hundred and ninety (Twenty-sixth Statutes at Large, page four hundred and seventeen and chapter eight hundred and forty-one), agricultural extension work which shall be carried on in cooperation with the United States Department of Agriculture: *Provided*, That in any State, Territory, or possession in which two or more such colleges have been or hereafter may be established, the appropriations hereinafter made to such State, Territory, or possession shall be administered by such college or colleges as the legislature of such State, Territory, or possession may direct.

SEC. 2. Cooperative agricultural extension work shall consist of the giving of instruction and practical demonstrations in agriculture and home economics and subjects relating thereto to persons not attending or resident in said colleges in the several communities, and imparting information on said subjects through demonstrations, publications, and otherwise and for the necessary printing and distribution of information in connection with the foregoing; and this work shall be carried on in such manner as may be mutually agreed upon by the Secretary of Agriculture and the State agricultural college or colleges or Territory or possession receiving the benefits of this Act.

SEC. 3. (a) There are hereby authorized to be appropriated for the purposes of this Act such sums as Congress may from time to time determine to be necessary.

(b) Out of such sums, each State [Alaska, Hawaii, Puerto Rico,] and the Federal Extension Service shall be entitled to receive annually a sum of money equal to the sums [received] available from Federal cooperative extension funds for the fiscal year [1953] 1962 and [such sums shall be] subject to the same requirements as to furnishing of equivalent sums by the State [, Alaska, Hawaii, and Puerto Rico as existed immediately prior to the passage of this Act,] except that amounts heretofore made available to the Secretary for allotment on the basis of special needs shall continue available for use on the same basis [: *Provided*, That, in addition, Puerto Rico shall be authorized to receive the total initial amount set by the provisions of the Act of October 26, 1949 (63 Stat. 926), and this amount shall be increased each succeeding fiscal year in accordance with such provisions until the total sum shall include the maximum amount set by the provisions of the Act of October 26, 1949, and Puerto Rico shall be entitled to receive such amount annually thereafter.]

(c) Any sums made available by the Congress for further development of cooperative extension work in addition to those referred to in subsection (b) hereof shall be distributed as follows:

1. [Four per centum of the sum so appropriated for each fiscal year shall be allotted among the States, Alaska, Hawaii, and Puerto Rico by the Secretary of Agriculture on the basis of special needs as determined by the Secretary.] *Four per centum of the sum so appropriated for each fiscal year shall be allotted to the Federal Extension Service for administrative, technical, and other services, and for coordinating the extension work of the Department and the several States, Territories, and possessions.*

2. [Fifty per centum of the remainder of the sum so appropriated for each fiscal year shall be paid to the several States, Alaska, Hawaii, and Puerto Rico in the proportion that the rural population of each bears to the total rural population of the several States, Alaska, Hawaii, and Puerto Rico, as determined by the census, and the remainder shall be paid to the several States, Alaska, Hawaii, and Puerto Rico in the proportion that the farm population of each bears to the total farm population of the several States, Alaska, Hawaii, and Puerto Rico, as determined by the census:] *Of the remainder so appropriated for each fiscal year, twenty per centum shall be paid to the several States in equal proportions, forty per centum shall be paid to the several States in the proportion that the rural population of each bears to the total rural population of the several States as determined by the census, and the balance shall be paid to the several States in the proportion that the farm population of each bears to the total farm population of the several States as determined by the census: Provided, That* payments out of the additional appropriations for further development of extension work authorized herein may be made subject to the making available of such sums of public funds by the States[, Alaska, Hawaii, and Puerto Rico] from non-Federal funds for the maintenance of cooperative agricultural extension work provided for in this Act, as may be provided by the Congress at the time such additional appropriations are made: *Provided further, That any appropriation made hereunder shall be allotted in the first and succeeding years on the basis of the decennial census current at the time such appropriation is first made, and as to any increase, on the basis of decennial census current at the time such increase is first appropriated.*

(d) The Federal Extension Service shall receive such *additional* amounts as Congress shall determine for administration, technical, and other services and for coordinating the extension work of the Department and the several States, Territories, and possessions.

SEC. 4. On or about the first day of July in each year after the passage of this Act, the Secretary of Agriculture shall ascertain as to each State[, Territory, and possession] whether it is entitled to receive its share of the annual appropriation for cooperative agricultural extension work under this Act and the amount which it is entitled to receive. Before the funds herein provided shall become available to any college for any fiscal year, plans for the work to be carried on under this Act shall be submitted by the proper officials of each college and approved by the Secretary of Agriculture. Such sums shall be paid in [equal semi-annual payments on the first day of January and July] *equal quarterly payments in or about July, October, January, and April* of each year to the treasurer or other officer of the State[, Territory, or possession] duly authorized by the laws of the State[, Territory, or possession] to receive the same, and such officer shall be required to report to the Secretary of Agriculture on or about the first day of January of each year, a detailed statement of the amount so received during the previous fiscal year and its disbursement, on forms prescribed by the Secretary of Agriculture.

SEC. 5. If any portion of the moneys received by the designated officer of any State[, Territory, or possession,] for the support and maintenance of cooperative agricultural extension work, as provided in this Act, shall by any action or contingency be diminished or lost or be misapplied, it shall be replaced by said State[, Territory, or

possession,] and until so replaced no subsequent appropriation shall be apportioned or paid to said State[, Territory, or possession]. No portion of said moneys shall be applied, directly or indirectly, to the purchase, erection, preservation, or repair of any building or buildings, or the purchase or rental of land, or in college-course teaching, lectures in college, or any other purpose not specified in this Act. It shall be the duty of said colleges, annually, on or about the first day of January, to make to the Governor of the State[, Territory, or possession] in which it is located a full and detailed report of its operations in extension work as defined in this Act, including a detailed statement of receipts and expenditures from all sources for this purpose, a copy of which report shall be sent to the Secretary of Agriculture.

SEC. 6. If the Secretary of Agriculture finds that a State[, Territory, or possession] is not entitled to receive its share of the annual appropriation, the facts and reasons therefor shall be reported to the President, and the amount involved shall be kept separate in the Treasury until the expiration of the Congress next succeeding a session of the legislature of the State[, Territory, or possession] from which funds have been withheld in order that the State[, Territory, or possession] may, if it should so desire, appeal to Congress from the determination of the Secretary of Agriculture. If the next Congress shall not direct such sum to be paid, it shall be covered into the Treasury.

SEC. 7. [Repealed.]

SEC. 8. (a) The Congress finds that there exists special circumstances in certain agricultural areas which cause such areas to be at a disadvantage insofar as agricultural development is concerned, which circumstances include the following: (1) There is concentration of farm families on farms either too small or too unproductive or both; (2) such farm operators because of limited productivity are unable to make adjustments and investments required to establish profitable operations; (3) the productive capacity of the existing farm unit does not permit profitable employment of available labor; (4) because of limited resources, many of these farm families are not able to make full use of current extension programs designed for families operating economic units nor are extension facilities adequate to provide the assistance needed to produce desirable results.

(b) In order to further the purposes of section 2 in such areas and to encourage complementary development essential to the welfare of such areas, there are hereby authorized to be appropriated such sums as the Congress from time to time shall determine to be necessary for payments to the States[, Alaska, Hawaii, and Puerto Rico] on the basis of special needs in such areas as determined by the Secretary of Agriculture.

(c) In determining that the area has such special need, the Secretary shall find that it has substantial number of disadvantaged farms or farm families for one or more of the reasons heretofore enumerated. The Secretary shall make provisions for the assistance to be extended to include one or more of the following: (1) Intensive on-the-farm educational assistance to the farm family in appraising and resolving its problems; (2) assistance and counseling to local groups in appraising resources for capability of improvement in agri-

culture or introduction of industry designed to supplement farm income; (3) cooperation with other agencies and groups in furnishing all possible information as to existing employment opportunities, particularly to farm families having underemployed workers; and (4) in cases where the farm family, after analysis of its opportunities and existing resources, finds it advisable to seek a new farming venture, the providing of information, advice, and counsel in connection with making such change.

(d) No more than 10 per centum of the sums available under this section shall be allotted to any one State. The Secretary shall use project proposals and plans of work submitted by the State Extension directors as a basis for determining the allocation of funds appropriated pursuant to this section.

(e) Sums appropriated pursuant to this section shall be in addition to, and not in substitution for, appropriations otherwise available under this Act. The amounts authorized to be appropriated pursuant to this section shall not exceed a sum in any year equal to 10 per centum of sums otherwise appropriated pursuant to this Act.

SEC. 9. The Secretary of Agriculture is authorized to make such rules and regulations as may be necessary for carrying out the provisions of this Act.

SEC. 10. *The term "State" means the States of the Union and Puerto Rico.*



For information concerning this journal, apply to the American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610. Second-class postage paid at Chicago, Ill., and at additional mailing offices. Postmaster: Send address changes in U.S.A. to JOURNAL OF THE AMERICAN MEDICAL ASSOCIATION, 535 North Dearborn Street, Chicago, Ill. 60610. Outside U.S.A.: Send address changes to THE JOURNAL OF THE AMERICAN MEDICAL ASSOCIATION, P.O. Box 129, Elmsford, N.Y. 10523. Subscription price: \$12.00 per year in advance. Single copies: 25¢. Foreign postage paid at New York, N.Y., and at additional mailing offices. POSTPAID PERMIT NO. 383, CHICAGO, ILL. (Post Office at Chicago, Ill., has no other authorized agent for this publication.)

Entered as Second-Class Matter, May 2, 1917, under Post Office No. 383, at Chicago, Ill., under Act of October 3, 1917. Acceptance for mailing at special rate of postage provided for in Act of October 3, 1917, authorized on July 1, 1968. Payment of postage guaranteed by the American Medical Association. POSTPAID PERMIT NO. 383, CHICAGO, ILL. (Post Office at Chicago, Ill., has no other authorized agent for this publication.)

Copyright, 1968, by American Medical Association. All rights reserved. Reproduction of this journal in whole or in part without permission is prohibited. Printed in the U.S.A. by the American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610. Second-class postage paid at Chicago, Ill., and at additional mailing offices. POSTPAID PERMIT NO. 383, CHICAGO, ILL. (Post Office at Chicago, Ill., has no other authorized agent for this publication.)

Subscription price: \$12.00 per year in advance. Single copies: 25¢. Foreign postage paid at New York, N.Y., and at additional mailing offices. POSTPAID PERMIT NO. 383, CHICAGO, ILL. (Post Office at Chicago, Ill., has no other authorized agent for this publication.)

Union Calendar No. 855

87TH CONGRESS
2^D SESSION

H. R. 12589

[Report No. 2068]

IN THE HOUSE OF REPRESENTATIVES

JULY 18, 1962

Mr. ABERNETHY introduced the following bill; which was referred to the Committee on Agriculture

JULY 30, 1962

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To amend the Smith-Lever Act of May 8, 1914, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act of May 8, 1914 (38 Stat. 372), as amended
4 by the Act of June 26, 1953 (7 U.S.C. 341-348), and by
5 the Act of August 11, 1955 (7 U.S.C. 347a), is hereby
6 amended as follows:

7 (a) Section 2 is amended by inserting the words "or
8 Territory or possession" immediately before the words "re-
9 ceiving the benefits of this Act."

10 (b) Subsection 3 (b) is amended by: (1) deleting the
11 phrase " , Alaska, Hawaii, Puerto Rico,"; (2) substituting

1 the word "available" for the word "received"; (3) substitut-
2 ing the date "1962" for the date "1953"; (4) deleting the
3 phrase "such sums shall be"; (5) deleting the phrase "
4 Alaska, Hawaii, and Puerto Rico as existed immediately
5 prior to the passage of this Act"; and (6) deleting the pro-
6 viso to said subsection.

7 (c) Subsection 3 (c) 1 is amended to read as follows:

8 "1. Four per centum of the sum so appropriated for
9 each fiscal year shall be allotted to the Federal Exten-
10 sion Service for administrative, technical, and other
11 services, and for coordinating the extension work of the
12 Department and the several States, Territories, and pos-
13 sessions."

14 (d) Subsection 3 (c) 2 is amended by: (1) deleting so
15 much thereof as precedes the first proviso and substituting
16 therefor the following: "Of the remainder so appropriated for
17 each fiscal year 20 per centum shall be paid to the sev-
18 eral States in equal proportions, 40 per centum shall be
19 paid to the several States in the proportion that the rural
20 population of each bears to the total rural population of the
21 several States as determined by the census, and the balance
22 shall be paid to the several States in the proportion that the
23 farm population of each bears to the total farm population of
24 the several States as determined by the census:"; and (2)

1 deleting the phrase “, Alaska, Hawaii, and Puerto Rico”
2 from the first proviso.

3 (e) Subsection 3 (d) is amended by adding the word
4 “additional” immediately after the word “such” in said sub-
5 section.

6 (f) Section 4 is amended by (1) deleting the phrase
7 “, Territory or possession” wherever it appears in said sec-
8 tion; and (2) by striking out the phrase “equal semi-annual
9 payments on the first day of January and July” and sub-
10 stituting the phrase “equal quarterly payments in or about
11 July, October, January, and April”.

12 (g) Sections 5 and 6 are amended by deleting there-
13 from the phrases “, Territory, or possession,” and “, Terri-
14 tory, or possession” wherever they occur therein.

15 (h) Subsection 8 (b) is amended by deleting the phrase
16 “, Alaska, Hawaii, and Puerto Rico”.

17 (i) By adding a new section 10 reading as follows:
18 “The term ‘State’ means the States of the Union and Puerto
19 Rico.”

87TH CONGRESS
2D SESSION

H. R. 12589

[Report No. 2068]

A BILL

To amend the Smith-Lever Act of May 8, 1914,
as amended.

By Mr. ABERNETHY

JULY 18, 1962

Referred to the Committee on Agriculture

JULY 30, 1962

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued August 15, 1962
For actions of August 14, 1962
82th-2d, No. 143

CONTENTS

Appropriations.....	7,28	Food supply.....	20	Property.....	4
Budget.....	5	Foreign trade.....	12,25	Public works.....	7
Casein.....	12	Handbook.....	1	Reclamation.....	14
Civil defense.....	4	Household effects.....	11	Recreation.....	17
Coconut oil.....	12	Inventions.....	2	Reorganization.....	23
Communications.....	2	Land-grant colleges.....	22	School lunch.....	1
Electrification.....	13	Lands.....	17	Shoreline areas.....	17
Employment.....	26	Laws.....	1,15	Soviet agriculture.....	6
Expenditures.....	24	Lumber industry.....	21	Surplus property.....	27
Extension work.....	1	Oceanography.....	18	Tariffs.....	12,25
Farm labor.....	19	Parks.....	17	Textiles.....	9
Farm program.....	1,10,23	Personnel.....	11,26	Transportation.....	16
Food stamps.....	8	Political activity.....	26	Watersheds.....	3

HIGHLIGHTS: Senate subcommittee voted to report bills to revise school lunch fund apportionment formula, to revise extension service fund apportionment formula, and provide Federal-State cooperation in administration of certain Federal laws. House committee reported public works appropriation bill. Several Reps. debated merits of food stamp plan.

SENATE

1. FARM PROGRAM. The Agricultural Research and General Legislation Subcommittee of the Agriculture and Forestry Committee voted to report to the full committee the following bills: p. D724

H. R. 11665, with amendment, to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act.

S. 2998, to amend the Smith-Lever Act so as to revise the formula for apportioning funds for extension work among the States.

S. 3475, to provide further for cooperation with the States in the administration and enforcement of certain Federal laws, including laws administered by this Department.

Sen. Wiley urged this Department to prepare a simplified handbook of farm laws and programs, and inserted his letter to Secretary Freeman on the proposal p. 15433

2. COMMUNICATIONS. Continued debate on H. R. 11040, the communications satellite bill (pp. 15383-416, 15433-5). By a vote of 63 to 27, invoked cloture (two-thirds of the Senators present and voting having voted in the affirmative) which limits further debate on the measure to not to exceed one hour for each Senator (pp. 15383-99). By a vote of 74 to 15, tabled an amendment by Sen. Morse to give NASA greater jurisdiction over the satellite program (pp. 15400-09). By a vote of 66 to 20, tabled an amendment by Sen. Gruening to provide that the satellite corporation shall pay a royalty fee for inventions and other technology furnished by the Government and that the results of inventions furnished by the Government shall be available to the U. S. or any designee in the form of a nonexclusive royalty-free license (pp. 15413-4).
3. WATERSHEDS. Both Houses received from the Budget Bureau plans for works of improvement on the following watersheds: Big Wyacondah, Iowa; Lattas Creek and Stucker Fork, Ind.; Bee Creek and Middle Caney, Kan.; Big Muddy Creek, Ky.; Bayou Folse, La.; Upper Bogue Phalia, Miss.; Big Indian Creek, Nebr.; Lower Forest River, N. Dak.; Middle Fork-Hood River, Ore.; and Kaercher Creek, Pa. (to Agriculture Committees); Brandywine Creek, Del. and Pa.; Twin Caney, Kan.; Sandy Creek, Pa.; and Salando Creek and Valley Creek, Tex. (to Public Works Committees). pp. 15417, 15510
4. PROPERTY; CIVIL DEFENSE. Both Houses received from HEW a report on personal and real property disposed of to public health and educational institutions and civil defense organizations. pp. 15417, 15510
5. BUDGET. Received from the President an amendment to the budget for fiscal year 1963 for \$20,206,000 for the General Services Administration (S. Doc. 120). p. 15417
6. SOVIET AGRICULTURE. Sen. Goldwater inserted a series of articles by an Ariz. columnist describing life in Russia, including his description of life on state and collective farms. pp. 15424-33

HOUSE

7. APPROPRIATIONS. The Appropriations Committee reported H. R. 12900, the public works appropriation bill for 1963 (H. Rept. 2223). p. 15510
Passed without amendment H. R. 12870, the military construction appropriation bill for 1963. pp. 15446-54
8. FOOD STAMPS. Rep. Sullivan and Rep. Bailey commended the food stamp program (pp. 15476-7). Rep. Hall criticized the program. p. 15477
9. TEXTILES. Rep. Hemphill and Rep. Whitener discussed the plight of the textile industry in the South. pp. 15480-9, 15491-4
10. FARM PROGRAM. Rep. Johnson, Wis., inserted a statement of the National Council of Farmer Cooperatives criticizing the CED report on farm policy saying it "is unrealistic and unacceptable for many reasons." pp. 15505-7
11. PERSONNEL. Conferees were appointed on H. R. 12180, to extend for a temporary period the existing provisions of law relating to the free importation of personal and household effects brought into the U. S. under Government orders. Senate conferees have not been appointed. pp. 15444-5
12. TARIFFS. Concurred in the Senate amendment to H. R. 10928, to transfer casein or lactarene to the free list of the Tariff Act of 1930. This bill will now be sent to the President. p. 15445

13. SMALL BUSINESS. Sen. Proxmire inserted an article and letter discussing the decline in small businesses. pp. 16044-5

HOUSE

14. STOCKPILING. Passed without amendment H. Con. Res. 509, providing the express approval of Congress, pursuant to Sec. 3(e) of the Strategic and Critical Materials Stock Piling Act, for the disposition of 12,245 long tons of chestnut tannin extract from the national stockpile. pp. 15911-2
Passed as reported H. R. 12416, to authorize the sale, without regard to the six-month waiting period prescribed, of chestnut extract proposed to be disposed of pursuant to the Strategic and Critical Materials Stock Piling Act. p. 15912
15. COMMUNICATIONS. Passed as reported H. R. 11899, to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for a Federal telecommunications fund. pp. 15912-3
16. RECLAMATION. Passed as reported H. R. 11164, to approve an amendatory repayment contract negotiated with the Quincy Columbia Basin Irrigation District, authorize similar contracts with any of the Columbia Basin Irrigation Districts, and to amend the Columbia Basin Project Act of 1943, as amended. pp. 15914-5
Passed as reported H. R. 2796, to provide for the renewal of certain municipal, domestic, and industrial water supply contracts entered into under the Reclamation Project Act of 1939. p. 15915
Passed without amendment S. 2179, to amend Sec. 9(d)(1) of the Reclamation Project Act of 1939 to make additional provision for irrigation blocks. This bill will now be sent to the President. pp. 15917-8
17. LAWS. Passed as reported H. R. 11266, to amend the act of March 8, 1922, as amended, to extend its provisions to the townsite laws applicable in Alaska to permit tracts of land to be sold subject to a reservation to the U. S. of coal, oil, and gas. pp. 15916-7
18. AWARDS. On objection of Rep. Gross, passed over H. R. 4055, to amend the act of August 25, 1959, to authorize the payment of a monetary award to recipients of the National Medal of Science. p. 15904
19. LOANS. At the request of Rep. Gross, passed over without prejudice S. 3327, to make certain federally impacted areas eligible for assistance under the public facility loan program. p. 15905
20. PERSONNEL. At the request of Rep. Gross, passed over without prejudice H. R. 12661, to amend the Hatch Political Activities Act to eliminate the requirement that the Civil Service Commission impose no penalty less than ninety days' suspension for any violation of section 9 of the act. p. 15905
Passed without amendment H. R. 9957, to amend Sec. 7 of the Administrative Expenses Act of 1946, as amended, relating to travel expenses of civilian officers and employees assigned to duty posts outside the continental U. S. p. 15912
21. FORESTRY. Passed as reported S. 3112, to add certain lands to the Pike National Forest in Colorado and the Carson and Santa Fe National Forests in N. Mex. pp. 15905-6
At the request of Rep. Gross, passed over without prejudice H. R. 7195, to add certain lands to the Wasatch National Forest, Utah. p. 15906
22. EXTENSION SERVICE. Passed without amendment H. R. 12589, to amend the Smith-Lever Act so as to provide that each State and Puerto Rico shall be entitled to

receive annually a sum equal to the sums received for the fiscal year 1962; (2) revise the formula for distributing amounts which may be appropriated in excess of the amounts allotted under (1) above; and (3) allocate Federal funds to the States and Puerto Rico quarterly rather than on a semiannual basis. pp. 15906-7

23. VETERANS. At the request of Rep. Ford, passed over without prejudice H. R. 9962, to amend title 38, U.S.C., to provide an extension of the period within which certain educational programs must be begun and completed in the case of persons called to active duty during the Berlin crisis. p. 15910
24. TRANSPORTATION. Passed without amendment S. 3016, to amend the act of March 2, 1929, and the act of August 27, 1935, relating to load lines for oceangoing and coastwise vessels, to establish liability for surveys, to increase penalties, and to permit deeper loading in coastwise trade. This bill will now be sent to the President. pp. 15922-3
25. OCEANOGRAPHY. Passed with amendment S. 901, to provide for a comprehensive, long-range and coordinated program in oceanography. A similar bill, H. R. 12601, was passed earlier as reported and laid on the table. pp. 15923-30
26. MIGRANT WORKERS. The Interstate and Foreign Commerce Committee reported without amendment H. R. 12365, to amend title III of the Public Health Service Act to authorize grants for family clinics for domestic agricultural migratory workers (H. Rept. 2253.). p. 16019
27. DATA PROCESSING. Received from GAO a review of the planning by GSA for the automatic data-processing equipment installed at its Washington, D.C., regional office. p. 16019
28. ROADS. Received from GAO a report on a review of the apportionments of Federal aid highway funds among the States by the Bureau of Public Roads. p. 16019

ITEMS IN APPENDIX

29. PUBLIC WORKS. Speech in the House by Rep. Schwengel during debate on the public works appropriation bill in which he commended Rep. Jensen as a "leading soil conservationist and watershed advocate..." pp. A6299-700
30. FARM PROGRAM. Extension of remarks of Sen. Wiley discussing the "Problematical outlook for dairy farming in 1963. p. A6305
Extension of remarks of Rep. Teague inserting an article describing the operation of the national farm program at the local level. pp. A6314-5.
Extension of remarks of Rep. Quie inserting an article by a farm wife who defends American national farming character. p. A6322.
Extension of remarks of Rep. Quie inserting an editorial discussing political maneuvering around the farm bill. pp. A6327-8
31. PRICES. Extension of remarks of Rep. Holifield inserting an editorial supporting quality stabilization legislation. p. A6317
32. IMPORTS; EMPLOYMENT. Extension of remarks of Rep. O'Konski blaming US importation policies for our unemployment problem. pp. A6323-6
33. FOOD ADDITIVES. Extension of remarks of Rep. Dingell inserting testimony of a homemaker who opposes the production of fish flour for American consumption and urges more complete testing of food additives. pp. A6331-2

empted from the Administrative Procedure Act.

The Supreme Court in *Greene v. McElroy* (360 U.S. 471 (1959)), which H.R. 11363 seeks to clarify, spoke of the importance of confrontation and cross-examination in our democratic system.

On pages 496-497 of the opinion the Court states:

Certain principles have remained relatively immutable in our jurisprudence. One of these is that where governmental action seriously injures an individual, and the reasonableness of the action depends on fact-finders, the evidence used to prove the Government's case must be disclosed to the individual so that he has an opportunity to show that it is untrue. While this is important in the case of documentary evidence, it is even more important where the evidence consists of the testimony of individuals whose memory might be faulty or who, in fact, might be perjurers or persons motivated by malice, vindictiveness, intolerance, prejudice, or jealousy. We have formalized these protections in the requirements of confrontation and cross-examination. They have ancient roots. They find expression in the sixth amendment which provides that in all criminal cases the accused shall enjoy the right "to be confronted with the witnesses against him."

This measure with the ominous implications of section 302, the absence of any right to appeal and the nonapplicability of the safeguards of the Administrative Procedure Act contravenes our traditional concept of fairness as provided for in the Constitution. The Washington Post in an editorial today opposing this bill states, "Fairness is an asset as well as a virtue in American life."

There are important issues involved in this bill which should be debated. The device of the Consent Calendar should not be used to pass H.R. 11363.

ASSISTANCE FOR CERTAIN FEDERALLY IMPACTED AREAS

The Clerk called the bill (S. 3327) to make certain federally impacted areas eligible for assistance under the public facility loan program.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Is it noted that there were three objections to the bill, Calendar No. 486?

The SPEAKER. In response to the gentleman's parliamentary inquiry, it required only one objection to prevent its consideration today.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill, S. 3327, be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? There was no objection.

RELIEF OF CERTAIN MEMBERS OF THE COAST GUARD

The Clerk called the bill (H.R. 12459) to provide for the relief of certain enlisted members of the Coast Guard.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, the last time the Consent Calendar was called I had a colloquy with the gentleman from Illinois [Mr. LIBONATI] on this particular case and also in the general area involved in this legislation. Subsequent to the call of the calendar several weeks ago I went into this matter in greater detail. This is not a case of misfeasance or malfeasance. There was a bona fide difference of opinion that resulted in this overpayment. Inasmuch as this was the circumstance I shall not ask that this bill be passed over. On the other hand, Mr. Speaker, I think unless we are insistent that responsibility be placed on the proper people in the executive branch of the Government for a failure properly to exercise their responsibilities we will have a great number of these so-called forgiveness cases. I intend to investigate each one of them personally. I do not intend to permit forgivenesses unless there is a clear injustice. I should add a footnote. We must be firm in placing responsibility on administrative officials in the executive branch of the Government including disbursing officers, paymasters, and others. When they assume their responsibility they are supposed to be familiar with the law and the way in which regulations are interpreted. It is unfortunate that sometimes employees, both civilian and military, are paid money when the money is not due them. It creates serious difficulties to the recipients. I do not like to place the Government in a position of seeking to recapture these funds paid illegally; but unless we are firm and pin financial responsibility on paymasters, disbursing officers, and administrative officials we are going to have continued sloppy work in these areas.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all payments of basic allowance for subsistence heretofore made to enlisted members of the Coast Guard who were assigned to the Coast Guard air detachments located at New Orleans, Louisiana; Biloxi, Mississippi; or Corpus Christi, Texas, during the period beginning on July 1, 1958, and ending on May 23, 1961, and which are otherwise correct, are validated to the extent that those allowances were paid because the military commander concerned determined that no Government mess was available to those enlisted members under section 310 of the Career Compensation Act of 1949, as amended (37 U.S.C. 251). Any enlisted member who has made a repayment to the United States of the amount so paid to him as a basic allowance for subsistence is entitled to be paid the amount involved, if otherwise proper.

SEC. 2. The Comptroller General of the United States, or his designee, shall relieve authorized certifying officers of the Coast Guard from accountability or responsibility for any payments described in the first section of this Act, and shall allow credits in the settlement of the accounts of those officers for payments which are found to be free from fraud and collusion.

SEC. 3. Appropriations available to the United States Coast Guard for the pay and

allowances of military personnel are available for payments under this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE HATCH POLITICAL ACTIVITIES ACT

The Clerk called the bill (H.R. 12661) to prevent pernicious political activities (the Hatch Political Activities Act) to eliminate the requirement that the Civil Service Commission impose no penalty less than 90 days' suspension for any violation of section 9 of the act.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, the 90 days' suspension provision is probably harsh. But I am unwilling to see a bill passed that sets up no minimum time, say 15 or 30 days. I am unwilling to turn over to the Civil Service Commission the complete discretion to suspend an employee for any period of time that the Civil Service Commission may determine. I am unwilling to give this sort of power for violation of the Hatch Act to the Civil Service Commission.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ADDITIONS TO NATIONAL FOREST IN COLORADO AND NEW MEXICO

The Clerk called the bill (S. 3112) to add certain lands to the Pike National Forest in Colorado and the Carson National Forest and the Santa Fe National Forest in New Mexico, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the exterior boundaries of the Pike National Forest in Colorado are hereby extended to include the following described lands:

SIXTH PRINCIPAL MERIDIAN

Township 11 south, range 69 west

Sections 1 to 4, inclusive;
Sections 9 to 16, inclusive;
Sections 21 to 27, inclusive;
Sections 34 to 36, inclusive.

Township 12 south, range 69 west

Section 2, west half west half;
Section 3, east half;
Section 10, northeast quarter;
Section 11, west half northwest quarter;
Section 12, south half northwest quarter, west half southwest quarter;
Section 13, west half northwest quarter, northwest quarter southwest quarter;
Section 14, south half northeast quarter, southeast quarter northwest quarter, northeast quarter southwest quarter, northwest quarter southeast quarter;
Section 21, north half, southeast quarter;
Section 22, north half, north half southwest quarter, southeast quarter;
Section 23, southwest quarter southwest quarter;

Section 26, northwest quarter northwest quarter;

Section 27, west half southwest quarter;

Section 28, north half, southeast quarter.

Township 12 south, range 70 west

Section 23, southeast quarter;

Section 24, southwest quarter, northwest quarter southeast quarter, south half southeast quarter;

Section 25, northeast quarter northeast quarter, west half northeast quarter, west half;

Section 26, northeast quarter, north half southeast quarter.

Sec. 2. The exterior boundaries of the Carson National Forest in New Mexico are hereby extended to include the following described lands:

NEW MEXICO PRINCIPAL MERIDIAN

Township 23 north, range 9 east

Sections 1 to 5, inclusive;

Sections 9 to 12, inclusive.

Township 24 north, range 9 east

Sections 1 to 4, inclusive;

Sections 9 to 16, inclusive;

Section 20, east half;

Sections 21 to 29, inclusive;

Sections 32 to 36, inclusive.

Township 25 north, range 9 east

Section 1;

Sections 33 to 36, inclusive.

Township 26 north, range 9 east

Sections 25 and 36.

Township 23 north, range 10 east

Section 3;

Section 4, north half, northwest quarter southwest quarter, east half southeast quarter;

Section 5, northeast quarter, northwest quarter southeast quarter;

Section 6, north half, north half southwest quarter.

Townships 24 and 25 north, range 10 east
All.

Township 26 north, range 10 east

All, except east half of sections 13 and 24.

Township 27 north, range 10 east

Sections 31 to 36, inclusive.

Township 24 north, range 11 east

Section 5, southwest quarter, south half northwest quarter, southwest quarter northeast quarter;

Sections 6 to 8, inclusive;

Sections 16 to 19, inclusive;

Section 20, north half, southwest quarter, west half southeast quarter;

Section 29, west half northwest quarter;

Section 30;

Section 31, north half.

Township 25 north, range 11 east

Sections 5 to 9, inclusive;

Section 16, north half, southwest quarter;

Sections 17 to 19, inclusive;

Section 20, north half, southwest quarter;

Section 31, west half.

Township 26 north, range 11 east

Section 6.

Also, that part of the Sebastian Martin grant, as described on survey plat approved December 17, 1892, and filed in volume 4, page 22, New Mexico land claim plat records of the Bureau of Land Management, lying east of the projection northward of the line between lot 4 of section 33 and lot 1 of section 34, fractional township 22 north, range 10 east, New Mexico principal meridian, as shown on public land survey plat of August 8, 1924.

Sec. 3. The exterior boundaries of the Santa Fe National Forest in New Mexico are hereby extended to include the following described lands:

(1) The Polvadera grants as described on plat of survey approved December 18, 1899;

and that part of the Juan Jose Lobato grant, as described on plat of survey approved October 19, 1895, lying southerly of the Rio Chama River; excepting from the above areas the town of Abiquiu grant as described on plat of survey approved November 16, 1896, and also as shown on public land survey plat approved July 3, 1940; said grant plats being filed in volume 5, page 31, volume 4, page 12, and volume 8, page 6, respectively, of New Mexico private land claim plat records of the Bureau of Land Management.

(2) The Ojo de San Jose grant as described on plat of survey approved August 21, 1902, and filed in volume 5, page 14, New Mexico private land claim plat records of the Bureau of Land Management, excepting that triangular-shaped part in the northwest corner of said grant which overlaps the east boundary of the Canon de San Diego grant as shown on said plat of August 21, 1902.

(3) The Juan de Gabaldon grant, as described on plat of survey approved July 27, 1896, and filed in volume 2, page 10, New Mexico private land claim plat records of the Bureau of Land Management.

Sec. 4. Subject to any valid existing rights all lands of the United States in areas described in sections 1, 2, and 3 hereof, administered by the Secretary of Agriculture under title III of the Bankhead-Jones Farm Tenant Act of July 22, 1937, as amended (7 U.S.C. 1010-1012), or used by the Secretary of Agriculture for research purposes, are hereby added to and made parts of the respective national forests.

With the following committee amendment:

Page 2, line 13, insert a comma after the word "half" so that the line reads "Section 21, north half, southeast quarter;"

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITION OF LAND TO THE WASATCH NATIONAL FOREST

The Clerk called the bill (H.R. 7195) to add certain lands to the Wasatch National Forest, Utah, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Reserving the right to object, Mr. Speaker, I should like to ask a question or two concerning this bill, one of them being, What is going to be the cost to the Federal Government to take care of the provisions of this bill over and above the acquisition of the land?

Mr. GRANT. It is my understanding that there will be no cost above the acquisition cost other than ordinary restoration measures.

Mr. GROSS. From the report accompanying this bill it seems to be some washing of land involved here. Let me put it this way: One of the reasons for this bill and the expenditure of nearly half a million dollars is to acquire lands to stop the washing of earth, whatever you want to call it, debris, down upon the Union Pacific tracks. Is that why this land is being purchased in whole or in part, and if so, is this expenditure necessary?—acquiring land to stop this sort of impediment to the operation of a railroad?

Mr. GRANT. I cannot recall any testimony about it being beneficial to the Union Pacific or any other railroad. It was thought it would be of benefit to the National Forest.

Mr. GROSS. It also mentions washing of land, soil, whatever it may be, into a certain canal. I am not clear as to whether this purchase of land is being made for the purpose of stopping this sort of thing.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EXTENSION SERVICE—DISTRIBUTION OF FUNDS

The Clerk called the bill (H.R. 12589) to amend the Smith-Lever Act of May 8, 1914, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of May 8, 1914 (38 Stat. 372), as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and by the Act of August 11, 1955 (7 U.S.C. 347a), is hereby amended as follows:

(a) Section 2 is amended by inserting the words "or Territory or possession" immediately before the words "receiving the benefits of this Act."

(b) Subsection 3(b) is amended by: (1) deleting the phrase "Alaska, Hawaii, Puerto Rico,"; (2) substituting the word "available" for the word "received"; (3) substituting the date "1962" for the date "1953"; (4) deleting the phrase "such sums shall be"; (5) deleting the phrase "Alaska, Hawaii, and Puerto Rico as existed immediately prior to the passage of this Act"; and (6) deleting the proviso to said subsection.

(c) Subsection 3(c)1 is amended to read as follows:

"1. Four per centum of the sum so appropriated for each fiscal year shall be allotted to the Federal Extension Service for administrative, technical and other services, and for coordinating the extension work of the Department and the several States, Territories, and possessions."

(d) Subsection 3(c)2 is amended by: (1) deleting so much thereof as precedes the first proviso and substituting therefor the following: "Of the remainder so appropriated for each fiscal year 20 per centum shall be paid to the several States in equal proportions, 40 per centum shall be paid to the several States in the proportion that the rural population of each bears to the total rural population of the several States as determined by the census, and the balance shall be paid to the several States in the proportion that the farm population of each bears to the total farm population of the several States as determined by the census:"; and (2) deleting the phrase "Alaska, Hawaii, and Puerto Rico" from the first proviso.

(e) Subsection 3(d) is amended by adding the word "additional" immediately after the word "such" in said subsection.

(f) Section 4 is amended by (1) deleting the phrase "Territory or possession" wherever it appears in said section; and (2) by striking out the phrase "equal semi-annual payments on the first day of January and July" and substituting the phrase "equal quarterly payments in or about July, October, January, and April".

(g) Sections 5 and 6 are amended by deleting therefrom the phrases "Territory, or

possession," and "Territory, or possession" wherever they occur therein.

(h) Subsection 8(b) is amended by deleting the phrase "Alaska, Hawaii, and Puerto Rico".

(i) By adding a new section 10 reading as follows: "The term 'State' means the States of the Union and Puerto Rico."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF BRIDGES ACROSS DELAWARE RIVER

The Clerk called the bill (H.R. 5604) to amend the acts of May 21, 1926, and January 25, 1927, relating to the construction of certain bridges across the Delaware River, so as to authorize the use of certain funds acquired by the owners of such bridges for purposes not directly related to the maintenance and operation of such bridges and their approaches.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act granting the consent of Congress for the construction of a bridge across the Delaware River at or near Burlington, New Jersey", approved May 21, 1926 (44 Stat. 588), is amended by adding at the end thereof the following new section:

"SEC. 9. Nothing contained in this Act shall be construed to prohibit, or shall prohibit any public agency, which now or hereafter may own such bridge and its approaches, and which has paid the principal and interest on all its outstanding indebtedness and has on hand capital funds derived from sources other than toll revenues in excess of the amount determined by said public agencies, to be required for the maintenance, repair, operation, reconstruction, replacement and modernization and improvement of such bridge and its approaches, from paying such surplus, or any part thereof, to the county of Burlington, in the State of New Jersey, for its use in the acquisition, construction, improvement, or enlargement of said county's facilities, buildings, and roads."

SEC. 2. The Act entitled "An Act granting the consent of Congress to Tacony-Palmyra Bridge Company to construct, maintain, and operate a bridge across the Delaware River at Palmyra, New Jersey", approved January 25, 1927 (44 Stat. 1024), is amended by adding at the end thereof the following new section:

"SEC. 9. Nothing contained in this Act shall be construed to prohibit, or shall prohibit any public agency, which now or hereafter may own such bridge and its approaches, and which has paid the principal and interest on all its outstanding indebtedness and has on hand capital funds derived from sources other than toll revenues in excess of the amount determined by said public agencies, to be required for the maintenance, repair, operation, reconstruction, replacement and modernization and improvement of such bridge and its approaches, from paying such surplus, or any part thereof, to the county of Burlington, in the State of New Jersey, for its use in the acquisition, construction, improvement, or enlargement of said county's facilities, buildings, and roads."

The bill was ordered to be engrossed and read a third time, was read the

third time, and passed, and a motion to reconsider was laid on the table.

(Mr. THOMPSON of New Jersey asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. THOMPSON of New Jersey. Mr. Speaker, the passage of H.R. 5604 is of great importance for thousands of people in New Jersey. This action paves the way for the release of a fund of \$1.3 million, which is now being held by the Burlington County Bridge Commission, for use by Burlington County for public purposes. The sequence of events that made this legislation necessary is a fascinating and involved tale of political and financial maneuvering.

In 1926 and 1927 Congress authorized the construction of bridges across the Delaware River at Burlington and Palmyra, in Burlington County, N.J. The bridges were built and operated by private corporations for a number of years. In 1946 a group of promoters formed a syndicate to acquire the stock of the two bridge companies, hoping to sell the bridges to some public agency at a profit. At the time the State of New Jersey was contemplating acquisition of the bridges by condemnation, in accordance with procedures spelled out in the 1926 and 1927 laws.

The syndicate prepared an elaborate plan of action which looked toward the following accomplishments: the creation of a Burlington County Bridge Commission; the issuance by the commission of revenue bonds that would be used to purchase the bridges from the syndicate; the continued operation of the bridges by the commission.

The syndicate was successful in acquiring the stock of the bridge companies, and thereby ownership of the bridges. It also managed to secure the passage of a law in New Jersey that would forbid the State to condemn any bridge owned by a public agency. This opened the way for the final set of transactions, which occurred on October 22, 1948. On that day the Board of Chosen Freeholders, which had been apprised of the syndicate's plan only the day before, created the Burlington County Bridge Commission and appointed its members. The names of the members had been settled upon weeks earlier by the syndicate. The Commission met and voted to acquire the two bridge companies through a \$12 million issue of revenue bonds. The freeholders approved of this plan, the bonds were issued and purchased by underwriters for distribution.

After lengthy litigation instituted by the State to rescind the entire transaction on the ground of fraud in the original sale of the bridges to the Commission, the New Jersey Supreme Court rendered a decision that included the following holdings: Rather than rescind the transaction—which would have prejudiced the holders of the bonds, who were, the Court found, holders in due course—the Court decided that the syndicate must return to the Commission the gross profits—some \$3 million—realized by it on the sale of the bridges.

The Commission was to retain title to the bridges and comply with its obligations on bonds held by holders in due course. A receiver was appointed to collect the judgment against members of the syndicate.

In the course of its opinion the Court held that there was no authority in New Jersey law for the Commission to operate at a profit or to use any funds it held for purposes not connected with the maintenance and operation of the bridges. Thus, the Commission, after it collected the judgment, had a very large fund on hand that had to be used for bridge purposes. In 1958 some \$1.3 million remained in this fund and none of it was required for the stated purposes. Legislation was introduced in the State legislature to authorize the remaining funds to be transferred to the county for such purposes as road construction and public buildings. Former Governor Meyner vetoed the bill on the ground that Federal law restricted the use of the funds to bridge purposes and that this was recognized by the decision of the Supreme Court. Governor Meyner's reference to Federal law was to the acts of 1926 and 1927.

While the correctness of Governor Meyner's reasoning has been disputed, there was certainly an ambiguity in these laws that would cloud the legality of any transfer of funds that might be authorized by the State. Thus, H.R. 5604 was made necessary. This bill, which I introduced during the first session of this Congress, merely removes any restrictions that may be found in Federal law upon a transfer of these funds from the Bridge Commission to the county for public purposes. When this measure is finally enacted into law the New Jersey Legislature may again authorize the transfer, and the books can be closed happily on a transaction that began in 1948.

AUTHORIZATION TO SETTLE CERTAIN CLAIMS

The Clerk called the bill (H.R. 9459) to amend section 2733 of title 10, United States Code, to authorize the Secretaries of the military departments to settle certain claims in the amount of \$10,000 or less.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2733 of title 10, United States Code, is amended as follows:

(1) by striking out in subsection (a) the figure "\$5,000" and insert "\$10,000" in place thereof; and

(2) by striking out in subsection (d) the figure "\$5,000" wherever it appears therein and inserting the figure "\$10,000" in place thereof in each instance.

With the following committee amendments:

Page 1, following line 10, add the following language:

"(3) by adding a new subsection (h) as follows:

"(h) Under such regulations as the Secretary of Defense may prescribe, he or any officer designated by him has the same au-

thority as the Secretary of a military department with respect to a claim arising from an incident caused by a civilian officer or employee of the Department of Defense not otherwise covered by this section.'

"(4) by amending the catchline of the section to read:

"§ 2733. Property loss; personal injury or death: incident to noncombat activities of Department of Army, Navy, or Air Force, and Department of Defense.'

"SEC. 2. The analysis of chapter 163 is amended by striking out the following item:

"2733. Property loss; personal injury or death: incident to noncombat activities of Department of Army, Navy, or Air Force.'

and inserting the following item in place thereof:

"2733. Property loss; personal injury or death: incident to noncombat activities of Department of Army, Navy, or Air Force, and Department of Defense.'

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend section 2733 of title 10, United States Code, to authorize the Secretaries of the military departments and the Secretary of Defense to settle certain claims in the amount of \$10,000 or less."

A motion to reconsider was laid on the table.

AMENDING INTERNAL SECURITY ACT OF 1950

The Clerk called the bill (H.R. 12082) to amend the Internal Security Act of 1950.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ROOSEVELT. Mr. Speaker, this bill has the same objections to it as are included in the bill, H.R. 11363, and reserving, of course, final judgment, it seems to me this bill should not be passed on the Consent Calendar. Therefore, I object, Mr. Speaker.

(Mr. WALTER asked and was given permission to include an editorial from the Richmond News Leader at this point in the RECORD.)

Mr. WALTER. Mr. Speaker, the editorial from the Richmond News Leader of August 15, 1962, is as follows:

INVESTIGATING THE NATIONAL SECURITY

Those who persistently maintain that the House Committee on Un-American Activities (HCUA) is misdirected sound and fury should gage their outrage by the report issued Monday. This document cites 22 distinct corrective actions taken by the National Security Administration following the HCUA investigation into the defection to Russia of the homosexual security risks Bernon F. Mitchell and William Martin. NSA has since cooperated fully in tightening its lax security procedures; but if HCUA had not existed, or had been abolished before it began its 13-month investigation, the Nation's most critical and most secret agency of defense would still be wide open to Communist penetration.

The Mitchell-Martin story was an ugly one. Both men worked as mathematicians in the cryptology section of NSA. Both were hired

and given access to top secret information before security checks had been completed. Both were eventually given clearance despite Mitchell's admission of sexual aberrations and Martin's association with Communist Party members, even after becoming an NSA employee. On August 5, 1960, the two disappeared, apparently with top-secret information about NSA activities; on September 6 they turned up at a Moscow press conference.

The National Security Agency is so sensitively secret and so vital to the country's defense that no outsiders can describe its activities. Not even the Civil Service Commission, which regularly audits all government jobs, is allowed to know what NSA employees do. Yet the HCUA investigation discovered that the Agency had made a regular practice of hiring employees before security checks were completed—ever since the Korean war had given the pretext of an "emergency." One of the major revisions of NSA policy was the correction of this incredible practice.

Under another strange policy, the NSA placed almost complete reliance on checking security clearances through lie detector tests, without coordinating information received from the FBI and other agencies. The lie detector or polygraph, useful as it is, charts only chemical and psychological reactions. An innocent but nervous subject comes off badly; a guilty, calm subject may get through without suspicion. J. Edgar Hoover has warned many times that the polygraph can give no more than hints, even to an operator experienced at reading the graphs. Yet the NSA allowed security clearances to be given on the strength of a junior officer's interpretation of the polygraph.

The irregularities in hiring extended to the NSA's director of personnel himself. HCUA's investigators, working with the FBI, turned up falsifications in the personnel director's background file; the director, who of course had complete access to his own file, then attempted to thwart the committee by forging a form with the correct information and substituting it for incorrect statements. This man has been fired for his forgery.

Since the HCUA investigation, NSA security has been tightened in all fields. Greater emphasis is put on psychological and medical investigations of prospective employees. Guards and watchmen have been increased. The clearances of all employees have been reviewed, and 26 known homosexuals have been dropped from the rolls.

Both the Secretary of Defense and the Director of NSA have been active in the house cleaning, but it was HCUA that devoted more than 2,000 hours to the investigation. This effort has resulted not only in the practical cleanup of the present mess, but in a bill now about half way through Congress which will forestall a loosening of security practices. The men who are hired to guard a special trust for the country must submit to greater tests of loyalty. Were it not for the House Committee on Un-American Activities we would have no way of knowing whether these tests were being applied or not.

PROHIBITION AGAINST AWARD OF GOVERNMENT CONTRACTS TO PERSONS SUSPENDED FROM PARTICIPATION IN VETERANS' HOME LOAN PROGRAM

The Clerk called the bill (H.R. 297) to amend title 38 of the United States Code to prohibit the award of contracts by the United States to certain persons.

There being no objection the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter I of chapter 37 of title 38 of the United States Code is amended by adding at the end thereof the following new section:

"§ 1806. Prohibition of award of contracts

"The Administrator shall furnish the Administrator of General Services with the name of each person with respect to whom the Administrator has refused for more than ninety days to appraise any building or dwelling project under section 1804(b) of this title, and the Administrator of General Services is authorized and directed to distribute a list to all agencies of the United States containing the names of such persons. Unless the head of the agency involved determines that the public interest requires otherwise, no contracts shall be awarded to such persons or to any firm, corporation, partnership, or association in which such a person has a controlling interest until the Administrator shall have terminated the refusal to appraise with respect to such person under section 1804(b) of this title."

Sec. 2. The analysis of subchapter I of chapter 37, title 38, United States Code, is amended by adding at the end thereof the following:

"1806. Prohibition of award of contract."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That (a) subchapter I of chapter 37 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 1807. Prohibition of award of contracts

"The Administrator shall furnish the Administrator of General Services with the name of each person with respect to whom the Administrator has refused for more than ninety days to appraise any building or dwelling project under section 1804(b) of this title, and the Administrator of General Services shall distribute a list to all agencies of the United States containing the names of such persons. Unless the head of the agency involved determines that the public interest requires otherwise, no contracts shall be awarded to such persons or to any firm, corporation, partnership, or association in which such person has a controlling interest until either—

"(1) the expiration of the three-year period which begins on the date of the notification by the Administrator of his refusal to appraise any such building or dwelling project; or

"(2) the date on which the Administrator shall have terminated the refusal to appraise with respect to such person under section 1804(b) of this title; whichever first occurs."

"(b) The analysis of subchapter I of chapter 37 of title 38, United States Code, is amended by adding at the end thereof the following:

"§ 1807. Prohibition of award of contracts."

"Sec. 2. The amendments contained in this Act shall not apply in any case in which, before the effective date of this Act, (1) the Administrator of Veterans' Affairs has terminated the refusal to appraise under section 1804(b) of title 38, United States Code, or (2) the three-year period beginning with the date of notification of such refusal has expired.

"Sec. 3. This Act shall take effect on the first day of the third calendar month which begins after the date of its enactment."

87TH CONGRESS
2D SESSION

H. R. 12589

IN THE SENATE OF THE UNITED STATES

AUGUST 21, 1962

Read twice and referred to the Committee on Agriculture and Forestry

AN ACT

To amend the Smith-Lever Act of May 8, 1914, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act of May 8, 1914 (38 Stat. 372), as amended
4 by the Act of June 26, 1953 (7 U.S.C. 341-348), and by
5 the Act of August 11, 1955 (7 U.S.C. 347a), is hereby
6 amended as follows:

7 (a) Section 2 is amended by inserting the words "or
8 Territory or possession" immediately before the words "re-
9 ceiving the benefits of this Act."

10 (b) Subsection 3 (b) is amended by: (1) deleting the
11 phrase ", Alaska, Hawaii, Puerto Rico,"; (2) substituting

1 the word "available" for the word "received"; (3) substitut-
2 ing the date "1962" for the date "1953"; (4) deleting the
3 phrase "such sums shall be"; (5) deleting the phrase "
4 Alaska, Hawaii, and Puerto Rico as existed immediately
5 prior to the passage of this Act"; and (6) deleting the pro-
6 viso to said subsection.

7 (c) Subsection 3 (c) 1 is amended to read as follows:

8 "1. Four per centum of the sum so appropriated for
9 each fiscal year shall be allotted to the Federal Exten-
10 sion Service for administrative, technical, and other
11 services, and for coordinating the extension work of the
12 Department and the several States, Territories, and pos-
13 sessions."

14 (d) Subsection 3 (c) 2 is amended by: (1) deleting so
15 much thereof as precedes the first proviso and substituting
16 therefor the following: "Of the remainder so appropriated for
17 each fiscal year 20 per centum shall be paid to the sev-
18 eral States in equal proportions, 40 per centum shall be
19 paid to the several States in the proportion that the rural
20 population of each bears to the total rural population of the
21 several States as determined by the census, and the balance
22 shall be paid to the several States in the proportion that the
23 farm population of each bears to the total farm population of
24 the several States as determined by the census:"; and (2)

1 deleting the phrase “, Alaska, Hawaii, and Puerto Rico”
2 from the first proviso.

3 (e) Subsection 3 (d) is amended by adding the word
4 “additional” immediately after the word “such” in said sub-
5 section.

6 (f) Section 4 is amended by (1) deleting the phrase
7 “, Territory or possession” wherever it appears in said sec-
8 tion; and (2) by striking out the phrase “equal semi-annual
9 payments on the first day of January and July” and sub-
10 stituting the phrase “equal quarterly payments in or about
11 July, October, January, and April”.

12 (g) Sections 5 and 6 are amended by deleting there-
13 from the phrases “, Territory, or possession,” and “, Terri-
14 tory, or possession” wherever they occur therein.

15 (h) Subsection 8 (b) is amended by deleting the phrase
16 “, Alaska, Hawaii, and Puerto Rico”.

17 (i) By adding a new section 10 reading as follows:
18 “The term ‘State’ means the States of the Union and Puerto
19 Rico.”

Passed the House of Representatives August 20, 1962.

Attest:

RALPH R. ROBERTS,

Clerk.

87TH CONGRESS
2^D SESSION

H. R. 12589

AN ACT

To amend the Smith-Lever Act of May 8, 1914,
as amended.

AUGUST 21, 1962

Read twice and referred to the Committee on
Agriculture and Forestry

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Sept. 6, 1962
For actions of Sept. 5, 1962
87th-2d, No. 159

CONTENTS

Appropriations.....8	Forestry.....1,3,4,10	Natural resources.....10
Budget.....5	Homestead entry.....2	Petrified wood.....2
Consumers.....12	Irrigation.....2	Reclamation.....7
Cooperatives.....6	Land development.....1	Research.....1
Extension work.....1	Lands.....1,2	Roads.....3
Federal laws.....1	Lumber.....11	School lunch.....1
Foreign trade.....9,11	Minerals.....2	Taxation.....6

HIGHLIGHTS: Senate committee voted to report bills for revised apportionment of school lunch and extension work funds, expanded forestry research, land development program in Alaska, and cooperation with States in administration of agricultural laws. Senate committee reported roads bill. Sen. Neuberger urged removal of Jones Act restrictions on lumber shipments to Puerto Rico. Sen. Humphrey urged discontinuance of administrative budget.

SENATE

1. AGRICULTURE AND FORESTRY COMMITTEE. The Agriculture and Forestry Committee voted to report (but did not actually report) without amendment S. 2805, to provide for a program of agricultural land development in Alaska; S. 3589, authorizing acquisition of certain lands in Wright County, Minn., for exchange for State-owned lands in Superior National Forest; S. 3475, to provide further cooperation with the States in the administration and enforcement of certain Federal laws; H. R. 9728, authorizing an increase from \$2.5 million to \$5 million in the annual appropriation under the Cooperative Forest Management Act; H. R. 12589, to revise the formula for the distribution of Federal funds for agricultural extension work; with amendment H. R. 12688, authorizing cooperation with and encouragement of the States in carrying out programs of forestry research; and H. R. 11665, to revise the formula for the apportionment among the States of funds under the National School Lunch Act. p. D808
2. INTERIOR AND INSULAR AFFAIRS COMMITTEE. The Interior and Insular Affairs Committee voted to report (but did not actually report) S. 3335, changing the name of Big Hole Battlefield National Monument to Big Hole National Battle-

field, and acquiring additional land therefor (amended); S. 3530, authorizing acquisition of land along the Delaware River for the creation of Tocks Island National Recreation Area (amended); S. 3160, to amend the act concerning homestead entry on land containing coal, oil, and gas so as to extend its provisions to the townsite laws applicable in Alaska (amended); S. J. Res. 136, to determine the susceptibility of minerals to electrometallurgical processes (amended); H. R. 9280, to give the Secretary of the Interior discretionary authority to sell certain mineral and vegetative materials on public lands by negotiation rather than by competitive bid when in the best interest of the Government; H. R. 10540, to make deposits of petrified wood disposable under the Materials Act; and H. R. 11164, to approve an amendatory repayment contract negotiated with the Quincy Columbia Basis Irrigation District. p. D809

3. ROADS. The Public Works Committee reported with amendments H. R. 12135, the proposed Federal-Aid Highway Act of 1962, which includes authorizations for forest highways and forest development roads and trails (S. Rept. 1997). p. 17425
4. FORESTRY. Sen. Neuberger stated that no domestic lumber is now being shipped to Puerto Rico because of certain restrictions of the Jones Act and that she intended to propose an amendment to the foreign trade bill to permit the Secretary of Commerce to waive Jones Act requirements with respect to such lumber shipments to Puerto Rico. p. 17427
5. BUDGET. Sen. Humphrey urged that the present administrative budget be replaced by two budgets, "the current budget covered by current revenues, and the capital budget financed largely by borrowings backed up by capital assets and by earnings from these projects," and stated that "until we scrap the obsolete accounting procedures of the Federal administrative budget, we will be unable to create the dynamism which one has a right to expect from the leader of the free world." pp. 17557-8
6. TAXATION. Continued debate on H. R. 10650, the proposed Revenue Act of 1962 (pp. 17425-7, 17440-556). Agreed to a unanimous-consent agreement that, effective Thurs., Sept. 6, further debate on the bill will be limited to four hours (p. 17516). Sen. McCarthy inserted a statement to clarify the tax status of farmers' cooperatives after Sen. Kerr assured him that "I have a positive conviction that nothing in the bill would lose to a cooperative any tax-exempt status it now has under existing law" (p. 17551).
7. RECLAMATION. The Interior and Insular Affairs Committee reported without amendment H. R. 575, to authorize construction of the upper division of the Baker reclamation project, Ore. (S. Rept. 1996). p. 17425
8. APPROPRIATIONS. The "Daily Digest" states that a subcommittee of the Appropriations Committee "marked up and agreed to report to the Subcommittee on Public Works proposed funds for the Atomic Energy Commission and the Tennessee Valley Authority embodied in H. R. 12900, fiscal 1963 appropriations for public works." p. D808
9. FOREIGN TRADE. Sen. Neuberger submitted an amendment intended to be proposed to H. R. 11970, the foreign trade bill. p. 17425
10. FORESTRY; NATURAL RESOURCES. Sen. Morse inserted his speech at the Western States Democratic Conference at Seattle, Wash., on Aug. 5, in which he discusses legislation relating to forestry, natural resource development, and other subjects. pp. 17569-70

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Sept. 10, 1962
For actions of Sept. 7, 1962
87th-2d, No. 161

CONTENTS

Adjournment.....16	Electrification.....13,18	Personnel.....5
Agricultural appro- priations.....15	Estes.....3	Property.....9
Agricultural exchange...17	Extension service.....1	Public works.....2
Alaska lands.....11,7	Foreign affairs.....6	Research.....1
Appropriations.....8,15	Forestry.....1,4	School lunch.....1
Copyrights.....11	Lands.....1,9	Surplus food.....12
Economic aid.....6	Laws.....1	Transportation.....10
	Natural resources.....7	Wildlife.....14

HIGHLIGHTS: Senate committee reported bills for revised apportionment of school lunch and extension work funds, expanded forestry research, land development program in Alaska, and cooperation with States in administration of agricultural laws. Senate debated public works acceleration bill. Sen. Tower commended Sen. Mundt's role in Estes investigation. Sen. Humphrey commended shipment of surplus food to Iran.

SENATE

1. THE AGRICULTURE AND FORESTRY COMMITTEE reported the following bills: p. 17722
H. R. 9728, without amendment, to amend the Cooperative Forest Management Act so as to increase the appropriation authorization from \$2.5 million to \$5 million (S. Rept. 2012).
H. R. 12688, with amendments, to authorize the Secretary of Agriculture to encourage and assist the States in carrying on a program of forestry research (S. Rept. 2013).
S. 3589, without amendment, to authorize the Secretary of Agriculture to acquire certain lands in Wright Co., Minn., and exchange them with Minn. for State-owned lands in the Superior National Forest (S. Rept. 2017).
S. 3475, without amendment, to provide further for cooperation with States in the administration and enforcement of certain laws relating to agriculture (S. Rept. 2018).
S. 2805, without amendment, to provide assistance for a program of agricultural land development in Alaska (S. Rept. 2014).

THE AGRICULTURE AND FORESTRY COMMITTEE reported the following bills:

H. R. 11665, with amendments, to revise the formula for apportioning cash assistance funds among the States under the School Lunch Act (S. Rept. 2016).

H.R. 12589, without amendment, to revise the formula for the distribution of any additional Federal funds for agricultural extension work and to provide for quarterly (rather than annual) payments to States for extension work (S. Rept. 2015).

2. PUBLIC WORKS. Began consideration of the House amendments to S. 2965, the public works acceleration bill. pp. 17775-9, 17783-7
Sens. Cooper and Miller submitted amendments intended to be proposed to this bill, S. 2965. p. 17723, 17783-7
3. ESTES INVESTIGATION. Sen. Tower commended Sen. Mundt's role in the investigation of the Estes and other cases and inserted an article, "Mundt Sorts Good and Bad Guys." pp. 17729-30
4. FORESTRY. Sen. Yarborough urged greater use of public lands, including forest lands, for hunting, fishing, and other forms of recreation, and inserted an article, "Public Hunting in America." pp. 17757-60
Sen. Morse stated that "great savings can be achieved in school construction" through the use of wood and urged greater use of timber for this purpose. pp. 17779-81
5. PERSONNEL. At the request of Sen. Russell, a Defense Department proposal to exempt certain Reserve officers of the Army or Air Force from the dual compensation restrictions of the Economy Act was rereferred from the Armed Services Committee to the Post Office and Civil Service Committee. p. 17723
6. FOREIGN AFFAIRS. Sen. Smith, Maine, inserted a thesis, "The United States Versus the Sino-Soviet Bloc in Latin America," including a discussion of economic aid and foreign trade programs. pp. 17723-9
7. ALASKA. Sen. Gruening inserted an article, "Alaska: Last Frontier," including a discussion of the natural resources of Alaska. pp. 17739-42
Sen. Gruening praised the Matanuska Valley in Alaska as "the backbone of the State's agricultural economy," and inserted an editorial, "They Tamed the Wilds to Make a Farmland." pp. 17796-7
8. MILITARY CONSTRUCTION APPROPRIATION BILL, 1963. Passed as reported this bill, H. R. 12870. Conferees were appointed. pp. 17760-72
9. LAND: Passed with amendment H. R. 8355, to authorize executive agencies to grant easements in, over, or upon real property of the U. S. under the control of such agencies. pp. 17774-5
10. TRANSPORTATION. Sen. Mundt criticized a strike by the Railway Telegraphers against the Chicago & North Western Railroad and inserted an article stating the strike was holding up grain shipments. pp. 17788-91
11. COPYRIGHTS. Passed without amendment H. J. Res. 627, extending the duration of copyright protection in certain cases. This bill will now be sent to the President. p. 17792
12. SURPLUS FOOD. Sen. Humphrey commended Government action to give surplus food to Iran following the recent earthquake disaster. pp. 17792-3
13. ELECTRIFICATION. Sen. Gruening urged Congressional approval of the Rampart Dam in Alaska and inserted an editorial, "Rampart: An Essential of the Moment." pp. 17797-8

FEDERAL EXTENSION SERVICE FUNDS

SEPTEMBER 7, 1962.—Ordered to be printed

Mr. JORDAN of North Carolina, from the Committee on Agriculture and Forestry, submitted the following

R E P O R T

[To accompany H.R. 12589]

The Committee on Agriculture and Forestry, to whom was referred the bill (H.R. 12589) to amend the Smith-Lever Act of May 1, 1914, as amended, having considered the same, report thereon with a recommendation that it do pass without amendment.

This bill amends the Smith-Lever Act (the basic statute providing for the Federal Extension Service) to provide that funds which are appropriated for the Extension Service in excess of the amount appropriated for the 1962 fiscal year shall be distributed under a slightly different formula than would apply under existing law. The new formula has the approval of all the State extension directors and of the Department of Agriculture.

The bill would modify the formula for apportionment of Federal Extension Service funds so that 4 percent of any increase in appropriations over the 1962 level would go to the Federal Extension Service, instead of to States on the basis of special needs, and 19.2 percent of any increase would go to States equally instead of on the basis of rural and farm population. It also provides for quarterly, instead of semiannual, payment of extension funds to States which will reduce Federal Government interest costs.

Under the proposed apportionment formula—

(A) Each State and the Federal Extension Service would receive a sum equal to that available to it for fiscal 1962, except that amounts available for 1962 on the basis of special needs would continue to be available on the same basis. (This is not a substantive change from existing law which gives each State the amount it received in 1953 plus any increases in subsequent years);

(B) Any sums appropriated in excess of those appropriated for fiscal 1962 would be apportioned as follows:

- (i) 4 percent to the Federal Extension Service (instead of to States for special needs);
- (ii) 19.2 percent to the States in equal proportions (new);
- (iii) 38.4 percent (instead of 48) to the States on the basis of rural population; and
- (iv) 38.4 percent (instead of 48) to the States on the basis of farm population.

Appropriations are still authorized for the purpose of apportionment on the basis of special needs under new section 7 (formerly sec. 8),¹ without regard to the above formula. Matching requirements are not changed, except that matching requirements for the 1962 level of appropriations are frozen in the same manner that matching requirements for the 1953 level of appropriations are now frozen. Matching of additional appropriations above the 1962 level would continue to be as required by Congress at the time of making the additional appropriations.

Table A (attached) illustrates how an additional \$1 million above the 1962 level of appropriations would be distributed among the States on the basis of the 1960 census.

Table B (attached) shows how funds equal to the 1962 level of appropriations would be distributed under section 3(b) of the act as it would be amended.

Distribution of \$1,000,000 extension funds under current and proposed Smith-Lever Act formula on basis of final 1960 census

State	Current formula	Proposed formula	Difference	State	Current formula	Proposed formula	Difference
Alabama.....	\$26,382	\$24,870	-\$1,512	New Hampshire.....	2,822	6,022	3,200
Alaska.....	1,290	4,798	3,508	New Jersey.....	7,736	9,953	2,217
Arizona.....	4,543	7,399	2,856	New Mexico.....	4,780	7,589	2,809
Arkansas.....	20,043	19,799	-244	New York.....	32,203	29,527	-2,676
California.....	29,868	27,660	-2,208	North Carolina.....	51,158	44,691	-6,467
Colorado.....	8,303	10,408	2,105	North Dakota.....	10,450	12,125	1,675
Connecticut.....	5,592	8,239	2,647	Ohio.....	39,927	35,707	-4,220
Delaware.....	2,006	5,370	3,364	Oklahoma.....	16,224	16,745	521
Florida.....	14,743	15,559	816	Oregon.....	10,463	12,135	1,672
Georgia.....	29,028	26,987	-2,041	Pennsylvania.....	39,916	35,697	-4,219
Hawaii.....	1,659	5,092	3,433	Puerto Rico.....	37,737	33,954	-3,783
Idaho.....	7,516	9,778	2,262	Rhode Island.....	1,145	4,680	3,535
Illinois.....	35,820	32,421	-3,399	South Carolina.....	23,998	22,963	-1,035
Indiana.....	31,574	29,025	-2,549	South Dakota.....	10,525	12,184	1,659
Iowa.....	33,575	30,625	-2,950	Tennessee.....	34,558	31,411	-3,147
Kansas.....	18,184	18,312	128	Texas.....	44,175	39,104	-5,071
Kentucky.....	33,094	30,240	-2,854	Utah.....	3,403	6,486	3,083
Louisiana.....	18,240	18,357	117	Vermont.....	3,729	6,747	3,018
Maine.....	5,719	8,340	2,621	Virginia.....	28,679	26,707	-1,972
Maryland.....	11,059	12,613	1,554	Washington.....	13,398	14,482	1,084
Massachusetts.....	8,533	10,591	2,058	West Virginia.....	14,045	15,000	955
Michigan.....	32,948	30,124	-2,824	Wisconsin.....	31,084	28,631	-2,453
Minnesota.....	31,022	28,582	-2,440	Wyoming.....	2,689	5,914	3,225
Mississippi.....	30,086	27,833	-2,253	4 percent special need.....	40,000		-40,000
Missouri.....	30,762	28,374	-2,388	4 percent Federal Extension Service.....		40,000	40,000
Montana.....	6,480	8,949	2,469				
Nebraska.....	16,013	16,576	563				
Nevada.....	1,074	4,625	3,551	Total.....	1,000,000	1,000,000	0

NOTE.—Current formula based on 4-percent special need, 48 percent rural population, and 48 percent farm population. Proposed formula based on 4 percent for Federal Extension Service and of remaining (96 per cent) 20 percent equally to all States and Puerto Rico, 40 percent on farm, and 40 percent on rural population.

¹ Renumbering of former secs. 8 and 9 results from the repeal in 1960 of former sec. 7, which dealt with reports to Congress.

Distribution of funds under section 3(b) of the proposed amendment to the Smith-Lever Act

Alabama	\$2, 070, 148	Nevada	102, 469
Alaska	83, 440	New Hampshire	201, 477
Arizona	278, 491	New Jersey	428, 357
Arkansas	1, 682, 683	New Mexico	355, 453
California	1, 500, 586	New York	1, 569, 390
Colorado	519, 164	North Carolina	2, 824, 482
Connecticut	305, 301	North Dakota	601, 907
Delaware	139, 867	Ohio	2, 043, 549
Florida	705, 341	Oklahoma	1, 407, 429
Georgia	2, 166, 353	Oregon	576, 754
Hawaii	267, 659	Pennsylvania	2, 057, 719
Idaho	394, 017	Puerto Rico	1, 793, 387
Illinois	1, 787, 074	Rhode Island	107, 381
Indiana	1, 493, 102	South Carolina	1, 509, 489
Iowa	1, 595, 270	South Dakota	602, 251
Kansas	1, 059, 143	Tennessee	2, 084, 488
Kentucky	2, 056, 781	Texas	3, 276, 639
Louisiana	1, 351, 042	Utah	261, 044
Maine	388, 549	Vermont	250, 840
Maryland	556, 232	Virginia	1, 703, 157
Massachusetts	436, 660	Washington	718, 260
Michigan	1, 641, 807	West Virginia	1, 057, 519
Minnesota	1, 528, 721	Wisconsin	1, 528, 923
Mississippi	2, 134, 382	Wyoming	197, 941
Missouri	1, 800, 597	Special needs	1, 544, 909
Montana	385, 816		
Nebraska	886, 560	Total	58, 020, 000

DEPARTMENTAL APPROVAL

Following is the letter from the Secretary of Agriculture recommending enactment of this proposed legislation. The Bureau of the Budget indicated its concurrence subsequent to the writing of the Secretary's letter.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 11, 1962.

HON. HAROLD D. COOLEY,
Chairman, Committee on Agriculture,
House of Representatives.

DEAR CONGRESSMAN COOLEY: This is in reply to the request of your committee for a report on H.R. 11240, a bill to amend the Smith-Lever Act of May 8, 1914, as amended, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, territories, and possessions receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the U.S. Department of Agriculture.

The Department supports the objectives of H.R. 11240, and recommends enactment of the bill.

The primary objectives of the bill are to: (1) Provide that each State and Puerto Rico shall be entitled to receive annually a sum equal to the sums received for the fiscal year 1962; (2) revise the formula for distributing amounts which may be appropriated in excess of the amounts allotted under (1) above; (3) allocate Federal funds to the States and Puerto Rico quarterly rather than on a semiannual basis; and (4) make available to the State and Puerto Rico extension services increased use of General Services Administration facilities and excess Government property.

A more detailed description of the substantive amendments follows:

Section 3(b): The bill would amend section 3(b) to provide that each State and the Federal Extension Service shall be entitled to receive annually a sum equal to the sums received from Federal cooperative extension funds for the fiscal year 1962. This does not change the share each State is presently entitled to receive, regardless of population changes as reflected in the census. Under the present subsection 3(b), each State is entitled to receive an amount equal to the sums received for the fiscal year 1953, and under the present subsection 3(c) each State is entitled to receive any increase, over that necessary to make the allotments under subsection 3(b), on the basis of the census current at the time such increase was first appropriated. The matching provision remains the same. The present proviso in this subsection is omitted since Puerto Rico is now receiving the maximum set forth in such proviso.

Section 3(c): The formula for distribution of funds over those allocated under section 3(b) is revised to provide: 4 percent of such funds to the Federal Extension Service for administration and coordination of cooperative extension work and the remaining 96 percent to the States with 20 percent distributed equally, 40 percent on the basis of farm population and 40 percent on the basis of rural population. The matching provision remains the same.

Currently, the funds under this subsection are distributed to the States and Puerto Rico on the basis of 4 percent for special need purposes as determined by the Department, 48 percent on rural population, and 48 percent on farm population.

It is believed that the revised formula provides a more equitable disposition of funds and will advance the cooperative program on a nationwide basis.

The provision (beginning with line 23 on page 4) for the States to use General Services Administration facilities, including stores and supply schedules, and the entitlement to excess Federal property would permit economies in State extension service operations.

Section 4: Currently, funds are allocated to the States on a semi-annual basis. The proposed bill would authorize payments on a quarterly basis. This should decrease the amount of money which the Treasury would have to borrow to make advance payments, with a resulting lower interest cost to the Treasury.

Other amendments include the definition of "State" in section 9 of the bill to mean the States and Puerto Rico, and the omission of the words "Alaska", "Hawaii", and "Puerto Rico" in certain sections of the bill. The present section 8 and 9 become sections 7 and 8, due to the repeal in 1960 of section 7 of the act, providing for certain reports (74 Stat. 249).

A committee representing the American Association of Land-Grant Colleges and Universities worked closely with representatives of the Department in developing the background facts in connection with H.R. 11240.

In view of the request that the report be submitted immediately, we have not obtained the advice of the Budget Bureau on this proposed legislation.

Sincerely yours,

ORVILLE L. FREEMAN, *Secretary*.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

ACT OF MAY 8, 1914 (38 STAT. 372)

SECTION 1. In order to aid in diffusing among the people of the United States useful and practical information on subjects relating to agriculture and home economics, and to encourage the application of the same, there may be continued or inaugurated in connection with the college or colleges in each State, Territory, or possession, now receiving, or which may hereafter receive, the benefits of the Act of Congress approved July second, eighteen hundred and sixty-two, entitled "An Act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts" (Twelfth Statutes at Large, page five hundred and three), and of the Act of Congress approved August thirtieth, eighteen hundred and ninety (Twenty-sixth Statutes at Large, page four hundred and seventeen and chapter eight hundred and forty-one), agricultural extension work which shall be carried on in cooperation with the United States Department of Agriculture: *Provided*, That in any State, Territory, or possession in which two or more such colleges have been or hereafter may be established, the appropriations hereinafter made to such State, Territory, or possession shall be administered by such college or colleges as the legislature of such State, Territory, or possession may direct.

SEC. 2. Cooperative agricultural extension work shall consist of the giving of instruction and practical demonstrations in agriculture and home economics and subjects relating thereto to persons not attending or resident in said colleges in the several communities, and imparting information on said subjects through demonstrations, publications, and otherwise and for the necessary printing and distribution of information in connection with the foregoing; and this work shall be carried on in such manner as may be mutually agreed upon by the Secretary of Agriculture and the State agricultural college or colleges or *Territory or possession* receiving the benefits of this Act.

SEC. 3. (a) There are hereby authorized to be appropriated for the purposes of this Act such sums as Congress may from time to time determine to be necessary.

(b) Out of such sums, each State [Alaska, Hawaii, Puerto Rico,] and the Federal Extension Service shall be entitled to receive annually a sum of money equal to the sums [received] *available* from Federal cooperative extension funds for the fiscal year [1953] 1962 and [such sums shall be] subject to the same requirements as to furnishing of equivalent sums by the State[, Alaska, Hawaii, and Puerto Rico as existed immediately prior to the passage of this Act,] except that amounts heretofore made available to the Secretary for allotment on the basis of special needs shall continue available for use on the same basis[: *Provided*, That, in addition, Puerto Rico shall be authorized to receive the total initial amount set by the provisions of the Act of October 26, 1949 (63 Stat. 926), and this amount shall be increased

each succeeding fiscal year in accordance with such provisions until the total sum shall include the maximum amount set by the provisions of the Act of October 26, 1949, and Puerto Rico shall be entitled to receive such amount annually thereafter].

(c) Any sums made available by the Congress for further development of cooperative extension work in addition to those referred to in subsection (b) hereof shall be distributed as follows:

1. [Four per centum of the sum so appropriated for each fiscal year shall be allotted among the States, Alaska, Hawaii, and Puerto Rico by the Secretary of Agriculture on the basis of special needs as determined by the Secretary.] *Four per centum of the sum so appropriated for each fiscal year shall be allotted to the Federal Extension Service for administrative, technical, and other services, and for coordinating the extension work of the Department and the several States, Territories, and possessions.*

2. [Fifty per centum of the remainder of the sum so appropriated for each fiscal year shall be paid to the several States, Alaska, Hawaii, and Puerto Rico in the proportion that the rural population of each bears to the total rural population of the several States, Alaska, Hawaii, and Puerto Rico, as determined by the census, and the remainder shall be paid to the several States, Alaska, Hawaii, and Puerto Rico in the proportion that the farm population of each bears to the total farm population of the several States, Alaska, Hawaii, and Puerto Rico, as determined by the census:] *Of the remainder so appropriated for each fiscal year, 20 per centum shall be paid to the several States in equal proportions, 40 per centum shall be paid to the several States in the proportion that the rural population of each bears to the total rural population of the several States as determined by the census, and the balance shall be paid to the several States in the proportion that the farm population of each bears to the total farm population of the several States as determined by the census: Provided, That payments out of the additional appropriations for further development of extension work authorized herein may be made subject to the making available of such sums of public funds by the States[, Alaska, Hawaii, and Puerto Rico] from non-Federal funds for the maintenance of cooperative agricultural extension work provided for in this Act, as may be provided by the Congress at the time such additional appropriations are made: Provided further, That any appropriation made hereunder shall be allotted in the first and succeeding years on the basis of the decennial census current at the time such appropriation is first made, and as to any increase, on the basis of decennial census current at the time such increase is first appropriated.*

(d) The Federal Extension Service shall receive such *additional* amounts as Congress shall determine for administration, technical, and other services and for coordinating the extension work of the Department and the several States, Territories, and possessions.

SEC. 4. On or about the first day of July in each year after the passage of this Act, the Secretary of Agriculture shall ascertain as to each State[, Territory, and possession] whether it is entitled to receive its share of the annual appropriation for cooperative agricultural extension work under this Act and the amount which it is entitled to receive. Before the funds herein provided shall become available to any college for any fiscal year, plans for the work to be carried on under this Act shall be submitted by the proper officials of each college and approved

by the Secretary of Agriculture. Such sums shall be paid in [equal semi-annual payments on the first day of January and July] *equal quarterly payments in or about July, October, January, and April* of each year to the treasurer or other officer of the State[, Territory, or possession] duly authorized by the laws of the State[, Territory, or possession] to receive the same, and such officer shall be required to report to the Secretary of Agriculture on or about the first day of January of each year, a detailed statement of the amount so received during the previous fiscal year and its disbursement, on forms prescribed by the Secretary of Agriculture.

SEC. 5. If any portion of the moneys received by the designated officer of any State[, Territory, or possession,] for the support and maintenance of cooperative agricultural extension work, as provided in this Act, shall by any action or contingency be diminished or lost or be misapplied, it shall be replaced by said State[, Territory, or possession,] and until so replaced no subsequent appropriation shall be apportioned or paid to said State[, Territory, or possession]. No portion of said moneys shall be applied, directly or indirectly, to the purchase, erection, preservation, or repair of any building or buildings, or the purchase or rental of land, or in college-course teaching, lectures in college, or any other purpose not specified in this Act. It shall be the duty of said colleges, annually, on or about the first day of January, to make to the Governor of the State[, Territory, or possession] in which it is located a full and detailed report of its operations in extension work as defined in this Act, including a detailed statement of receipts and expenditures from all sources for this purpose, a copy of which report shall be sent to the Secretary of Agriculture.

SEC. 6. If the Secretary of Agriculture finds that a State[, Territory, or possession] is not entitled to receive its share of the annual appropriation, the facts and reasons therefor shall be reported to the President, and the amount involved shall be kept separate in the Treasury until the expiration of the Congress next succeeding a session of the legislature of the State[, Territory, or possession] from which funds have been withheld in order that the State[, Territory, or possession] may, if it should so desire, appeal to Congress from the determination of the Secretary of Agriculture. If the next Congress shall not direct such sum to be paid, it shall be covered into the Treasury.

SEC. 7. [Repealed.]

SEC. 8. (a) The Congress finds that there exists special circumstances in certain agricultural areas which cause such areas to be at a disadvantage insofar as agricultural development is concerned, which circumstances include the following: (1) There is concentration of farm families on farms either too small or too unproductive or both; (2) such farm operators because of limited productivity are unable to make adjustments and investments required to establish profitable operations; (3) the productive capacity of the existing farm unit does not permit profitable employment of available labor; (4) because of limited resources, many of these farm families are not able to make full use of current extension programs designed for families operating economic units nor are extension facilities adequate to provide the assistance needed to produce desirable results.

(b) In order to further the purposes of section 2 in such areas and to encourage complementary development essential to the welfare of such areas, there are hereby authorized to be appropriated such sums as the Congress from time to time shall determine to be necessary for payments to the States[, Alaska, Hawaii, and Puerto Rico] on the basis of special needs in such areas as determined by the Secretary of Agriculture.

(c) In determining that the area has such special need, the Secretary shall find that it has substantial number of disadvantaged farms or farm families for one or more of the reasons heretofore enumerated. The Secretary shall make provisions for the assistance to be extended to include one or more of the following: (1) Intensive on-the-farm educational assistance to the farm family in appraising and resolving its problems; (2) assistance and counseling to local groups in appraising resources for capability of improvement in agriculture or introduction of industry designed to supplement farm income; (3) cooperation with other agencies and groups in furnishing all possible information as to existing employment opportunities, particularly to farm families having underemployed workers; and (4) in cases where the farm family, after analysis of its opportunities and existing resources, finds it advisable to seek a new farming venture, the providing of information, advice, and counsel in connection with making such change.

(d) No more than 10 per centum of the sums available under this section shall be allotted to any one State. The Secretary shall use project proposals and plans of work submitted by the State Extension directors as a basis for determining the allocation of funds appropriated pursuant to this section.

(e) Sums appropriated pursuant to this section shall be in addition to, and not in substitution for, appropriations otherwise available under this Act. The amounts authorized to be appropriated pursuant to this section shall not exceed a sum in any year equal to 10 per centum of sums otherwise appropriated pursuant to this Act.

SEC. 9. The Secretary of Agriculture is authorized to make such rules and regulations as may be necessary for carrying out the provisions of this Act.

SEC. 10. *The term "State" means the States of the Union and Puerto Rico.*

Calendar No. 1976

87TH CONGRESS
2D SESSION

H. R. 12589

[Report No. 2015]

IN THE SENATE OF THE UNITED STATES

AUGUST 21, 1962

Read twice and referred to the Committee on Agriculture and Forestry

SEPTEMBER 7, 1962

Reported by Mr. JORDAN of North Carolina, without amendment

AN ACT

To amend the Smith-Lever Act of May 8, 1914, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act of May 8, 1914 (38 Stat. 372), as amended
4 by the Act of June 26, 1953 (7 U.S.C. 341-348), and by
5 the Act of August 11, 1955 (7 U.S.C. 347a), is hereby
6 amended as follows:

7 (a) Section 2 is amended by inserting the words "or
8 Territory or possession" immediately before the words "re-
9 ceiving the benefits of this Act."

10 (b) Subsection 3 (b) is amended by: (1) deleting the
11 phrase " , Alaska, Hawaii, Puerto Rico,"; (2) substituting

1 the word “available” for the word “received”; (3) substitut-
2 ing the date “1962” for the date “1953”; (4) deleting the
3 phrase “such sums shall be”; (5) deleting the phrase “,
4 Alaska, Hawaii, and Puerto Rico as existed immediately
5 prior to the passage of this Act”; and (6) deleting the pro-
6 viso to said subsection.

7 (c) Subsection 3 (c) 1 is amended to read as follows:

8 “1. Four per centum of the sum so appropriated for
9 each fiscal year shall be allotted to the Federal Exten-
10 sion Service for administrative, technical, and other
11 services, and for coordinating the extension work of the
12 Department and the several States, Territories, and pos-
13 sessions.”

14 (d) Subsection 3 (c) 2 is amended by: (1) deleting so
15 much thereof as precedes the first proviso and substituting
16 therefor the following: “Of the remainder so appropriated for
17 each fiscal year 20 per centum shall be paid to the sev-
18 eral States in equal proportions, 40 per centum shall be
19 paid to the several States in the proportion that the rural
20 population of each bears to the total rural population of the
21 several States as determined by the census, and the balance
22 shall be paid to the several States in the proportion that the
23 farm population of each bears to the total farm population of
24 the several States as determined by the census:”; and (2)

1 deleting the phrase “, Alaska. Hawaii, and Puerto Rico”
2 from the first proviso.

3 (e) Subsection 3 (d) is amended by adding the word
4 “additional” immediately after the word “such” in said sub-
5 section.

6 (f) Section 4 is amended by (1) deleting the phrase
7 “, Territory or possession” wherever it appears in said sec-
8 tion; and (2) by striking out the phrase “equal semi-annual
9 payments on the first day of January and July” and sub-
10 stituting the phrase “equal quarterly payments in or about
11 July, October, January, and April”.

12 (g) Sections 5 and 6 are amended by deleting there-
13 from the phrases “, Territory, or possession,” and “, Terri-
14 tory, or possession” wherever they occur therein.

15 (h) Subsection 8 (b) is amended by deleting the phrase
16 “, Alaska, Hawaii, and Puerto Rico”.

17 (i) By adding a new section 10 reading as follows:
18 “The term ‘State’ means the States of the Union and Puerto
19 Rico.”

Passed the House of Representatives August 20, 1962.

Attest:

RALPH R. ROBERTS,

Clerk.

Calendar No. 1976

87TH CONGRESS
2^D Session

H. R. 12589

[Report No. 2015]

AN ACT

To amend the Smith-Lever Act of May 8, 1914,
as amended.

AUGUST 21, 1962

Read twice and referred to the Committee on
Agriculture and Forestry

SEPTEMBER 7, 1962

Reported without amendment

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Sept. 26, 1962

For actions of Sept. 25, 1962

87th-2d, No. 173

Patents.....	23
Pay increase.....	11
Peanut laboratory.....	12
Personnel.....	11,19
Postal service.....	11
Public works.....	16
Purchasing.....	34
Research.....	12,17,20
Retirement.....	19
Ryukyu Islands.....	6
School lunch.....	4
Statistics.....	15
Taxation.....	14,21
Territories.....	6
Tobacco.....	31
Transportation.....	5,13,27
Water pollution.....	18
Water resources.....	24
Watersheds.....	3
Wildlife.....	33

CONTENTS

Animal food.....	2
Appropriations.....	1,12,30
Civil defense.....	1
Drugs.....	2
Education.....	25
Extension work.....	10
Farm program.....	9
FHA loans.....	32
Foreign agriculture.....	26
Foreign aid.....	7,28
Foreign trade.....	29
Forestry.....	20
Minerals.....	22
National goals.....	8

HIGHLIGHTS: Senate agreed to conference report on farm bill. Senate began consideration of pay bill. Senate passed bill to revise formula for distribution of extension work funds. Sen. Russell defended establishment of peanut research laboratory in Ga. Senate passed bill to assist states in forest research. Sen. Boggs inserted speech on agricultural research accomplishments. Conferees agreed to file report on tax bill. Sens. Dodd and Wiley inserted articles on food situation in Communist China. Both Houses agreed to conference report on independent offices appropriation bill.

HOUSE

1. **INDEPENDENT OFFICES APPROPRIATION BILL, 1963.** Both Houses received and agreed to the further conference report on this bill, H. R. 12711, and acted on amendments in disagreement (H. Rept. 2466)(pp. 19421-3, 19446, 19472-5). Agreed to an amendment to appropriate \$88,000,000 for expenses necessary for studies, research, surveys, and marking to develop measures and plans for civil defense instead of \$10,000,000 for research as proposed by the House and \$93,800,000 for shelter, research, and development, and construction as proposed by the Senate. This bill will now be sent to the President.
2. **DRUGS.** The Rules Committee reported a resolution for the consideration of H.R. 11581, for the proposed Drug and Factory Inspection Amendments of 1962. pp. 19432-3, 19446

As reported, the bill amends "the anticancer clause of the food additives amendment and the color additive amendment of the Federal Food, Drug, and Cosmetic Act by making this clause inapplicable to chemicals such as veterinary drugs when used in feed for food-producing animals if the Secretary finds

(1) that under the conditions of use and feeding specified in the proposed labeling and reasonably certain to be followed in practice, such additive will not adversely affect the animals for which such feed is intended, and
(2) that no residue of the additive will be found (by methods of examination prescribed or approved by the Secretary by regulations) in any edible portion of the animal after slaughter or in any food such as milk or eggs yielded by or derived from the living animal."

3. WATERSHEDS. Both Houses received from the Budget Bureau a plan for works of improvement relating to the following watershed: Big Creek, Tex.; to Agriculture Committee. pp. 19445, 19481

Both Houses received from the Budget Bureau a plan for works of improvement relating to the following watershed: Boulder Lake, Wyo.; to Public Works Committee. pp. 19445-6, 19481

4. SCHOOL LUNCH. The "Daily Digest" states that the Judiciary Committee "Tabled S. J. Res. 211, providing for the establishment of an annual National School Lunch Week." p. D891
5. TRANSPORTATION. Agreed to the conference report on S. 320, to amend the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State. pp. 19433-8
6. TERRITORIES. Concurred in the Senate amendment to H. R. 10937, to amend the act providing for the economic and social development in the Ryukyu Islands. This bill will now be sent to the President. p. 19419
7. FOREIGN AID. Rep. Ichord, Mo., criticizing the foreign aid program and inserting an address by Mr. Justice Douglas. pp. 19439-40
8. NATIONAL GOALS. Rep. Halpern urged enactment of legislation to establish a permanent National Council on U. S. Goals. pp. 19442-3

SENATE

9. FARM PROGRAM. By a vote of 52 to 41, agreed to the conference report on H. R. 12391, the farm bill (pp. 19447-72, 19475-80). This bill will now be sent to the President. See Digest 167 for a summary of the bill.
10. EXTENSION WORK. Passed without amendment H. R. 12589, to modify the formula for apportionment of Federal Extension Service funds so that 4 percent of any increase in appropriations over the 1962 level would go to the Federal Extension Service for administration and coordination of cooperative extension work and the remaining 96 percent of any increase would go to the States with 20 percent distributed equally, 40 percent on the basis of farm population, and 40 percent on the basis of rural population. Also, the bill provides for quarterly, instead of semiannual, payment of extension funds to the States. This bill will now be sent to the President. pp. 19528-9
11. PERSONNEL; POSTAL SERVICE. Began consideration of H. R. 7927, the Federal pay and postal rate increase bill. pp. 19539-53
12. APPROPRIATIONS; RESEARCH. Sen. Russell defended an item in the agricultural appropriation bill for the establishment of a peanut research laboratory at Dawson, Ga., contended that statements were made on the floor of the House which "totally misrepresented the nature of the work this institution proposed

Mr. BUTLER. Has the Senator read this week's issue of U.S. News & World Report in connection with the steel situation?

Mr. BARTLETT. No. I carried it from my office to my home, but I have not yet read it.

Mr. BUTLER. I hope the Senator will read the article to which I have referred.

Mr. BARTLETT. I always read the magazine.

Mr. BUTLER. The steel industry is in exactly the same situation which other industries are getting into. The steel industry cannot possibly compete with foreign imports. We all know that. When the steel industry tried to raise its prices, the whole house fell in. That industry did not obtain any special privilege, and they need it. Men in the steel industry are being placed on the unemployment rolls every day because the industry cannot compete. They do not get production up because people will not buy American steel. They are buying European steel. Will we do something for that industry?

Mr. BARTLETT. Yes.

Mr. BUTLER. Then let us do it for every industry. Let us not do it piecemeal. If we are going to help some, let us help all.

Mr. BARTLETT. The area concerned in which we now have an opportunity to help is very small. It is a tiny bill comparatively.

Mr. BUTLER. Yes, it is a tiny measure.

Mr. BARTLETT. The *City of New Orleans* is now a pretty new vessel, but it will become worn and used. It will have to undergo repairs. From time to time it will require new steelplates. That repair work will be done in American yards with American materials by American workmen.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. LAUSCHE. What I am about to say does not particularly pertain to the issue before us, but I have a letter which contains the same type of information. It shows where we are headed in international competition. The letter states that—

By July 1, 1965 the wages of the plumbers and pipefitters will have been increased from a present hourly rate of \$5.33 to \$7.57 in the city and county of San Francisco. This is an increase of 42 percent over a 3-year period.

Where are we heading? How are we going to compete in world markets? It is beyond my understanding. A worker working 2,000 hours a year, let us say, at a rate of \$7.57 an hour, would have an income of \$16,000 a year. I point that out because the Senator from Maryland has indicated that we shall drive our American ships off the high seas because of our inability to compete.

Mr. BUTLER. There cannot be any question about that. This is the second attempt this week to obtain some escape from the high cost of doing business to the detriment of other people in a kindred business. I say that it is wrong.

Mr. ENGLE. Mr. President—

Mr. BUTLER. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Alaska has the floor.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. ENGLE. Mr. President, I ask unanimous consent that the Senator from Alaska may be permitted to yield to the Senator from South Carolina without losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOVIET INTRUSION INTO CUBA

Mr. THURMOND. Mr. President, the Associated Press carries a news story from Cuba this afternoon reporting that Premier Castro has concluded an agreement with the Soviet Union to build for the Soviets a naval port near Guantanamo Bay supposedly to take care of ship repairs for the Soviet Union's Atlantic fishing fleet. Mr. President, this is another indication of the Communist military buildup which our Government continues to permit in Cuba in violation of the Monroe Doctrine. I imagine that our policy planners will take Mr. Castro at his word that this is truly to be a repair port for fishing vessels rather than war vessels such as the nuclear submarines which Mr. Khrushchev threatened to use against us if we should take any action to enforce the Monroe Doctrine.

How long, Mr. President, will we continue to tolerate this Communist base in the Western Hemisphere with continuing reports of additional military buildups? Are we to continue to follow a policy of "watchful waiting" in the hope that Mr. Castro and his Soviet technicians will evolve themselves into peaceful Socialists? This is what we have been advised to do by Mr. Walter Lippmann in a recent column in which he made the following comments on Castro and the arms buildup in Cuba:

Castro is an insulting nuisance, but he is not, and is not now remotely capable of becoming, a clear and present danger to the United States. So we must practice watchful waiting, and hold ourselves in readiness, never for a moment forgetting the vastly greater dangers elsewhere.

Mr. President, Mr. Castro can do immeasurable harm to our national security without overtly attacking the United States with missiles or troops. He has already endangered our national security by providing Mr. Khrushchev with a military base in the Western Hemisphere and also with a soon-to-be-completed radar tracking station. In addition, he has proved to the world that a small band of revolutionaries can subvert and take over a government in the Western Hemisphere with U.S. help and then turn it into a Communist arsenal to implement overtly and covertly the contamination of the Western Hemisphere with the virus of world communism.

Mr. President, I have repeatedly called on the floor of the Senate for the U.S. Government to ditch our present no-win policy in the cold war, particularly as it

applies to Cuba today and to move to decontaminate Cuba of communism. As I stated on September 6, 1962:

The best method of decontamination can be determined with the advice of our military leaders, once the basic decision to decontaminate is made by our civilian leaders.

Mr. President, the action reported today on the wires of the Associated Press with regard to building a ship repair port in Cuba for the Soviet Union gives additional reason for our Government to take meaningful action designed to eradicate this growing Communist cancer so near our own shores.

Mr. ENGLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ENGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. I should like to call up some items on the calendar to which there is no objection, and then return to the consideration of the pending bill, if that is agreeable to the Senators concerned.

Mr. BARTLETT. I am glad to yield for that purpose.

Mr. BUTLER. I do not want to be disagreeable, but I have been waiting all day to do the business of the Senate. This is important business of the Senate, and I am ready to attend to it. I insist that the Senate continue with the consideration of the pending bill.

Mr. MANSFIELD. This is Senate business also. All I am asking for is about 10 minutes, so that other matters on the calendar may be considered, and then there will be a quorum call.

Mr. BUTLER. I have been waiting all day to make my speech. The Senate is considering a very important bill.

If we pass the bill it will set a very bad precedent in many respects. I believe the Senate ought to transact its business.

Mr. MANSFIELD. All I am asking is that the Senate permit me to proceed for about 10 minutes. Then there will be a quorum call. In the meantime Senators will be brought to the Chamber.

Mr. BARTLETT. I have been waiting for weeks. I would like to proceed with the consideration of the bill also, but at the same time I am desirous of accommodating myself to the desires of the majority leader.

CLAUDE S. REEDER

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1965 S. 2873.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2873) for the relief of Claude S. Reeder and the Reeder Motor Co., Inc.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments on page 1, line 7, after the word "of", to strike out "\$26,754.93, together with interest at the rate of 5 per centum per annum until paid, from the first day of January 1962" and insert "\$2,125"; and in line 10, after the word "sum", to strike out "(together with such interest)"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Claude S. Reeder of Knoxville, Tennessee, and Reeder Motor Company, Incorporated, of Oak Ridge, Tennessee, the sum of \$2,125. The payment of such sum shall be in full satisfaction of all claims of the said Claude S. Reeder and Reeder Motor Company, Incorporated, against the United States of America for reimbursement of construction costs incurred by them, or either of them, in completing a building at the request of the United States of America, such building having been constructed for use as a garage for repair of Government vehicles: Provided, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the Senate reconsider the votes by which Senate bill 2873 was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The LEGISLATIVE CLERK. On page 1, line 5, it is proposed to strike out "Claude S. Reeder, Knoxville, Tenn."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2873) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "For the relief of Reeder Motor Co., Inc."

ASSISTANCE TO STATES FOR FORESTRY RESEARCH PROGRAM

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate

proceed to the consideration of Calendar No. 1974, H.R. 12688.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 12688) to authorize the Secretary of Agriculture to encourage and assist the several States in carrying on a program of forestry research, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments on page 2, line 1, after the word "several", to strike out "State"; in line 9, after the word "with", to insert "colleges and universities in"; in line 17, after the word "other", to strike out "State supported"; in line 23, after the word "institutions", to strike out "of" and insert "in"; on page 3, line 9, after the word "available", to strike out "to the States"; on page 4, at the beginning of line 13, to strike out "forestry schools of the"; and in line 14, after the word "such", to strike out "schools" and insert "colleges and universities".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An Act to authorize the Secretary of Agriculture to encourage and assist colleges and universities in the several States in carrying on a program of forestry research, and for other purposes."

Mr. MANSFIELD subsequently said: Mr. President, I move that the Senate reconsider the vote by which Calendar No. 1974, H.R. 12688, was passed, and that the bill be restored to the calendar.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

FEDERAL EXTENSION SERVICE FUNDS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1976, H.R. 12589.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 12589) to amend the Smith-Lever Act of May 8, 1914, as amended.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 2015), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This bill amends the Smith-Lever Act (the basic statute providing for the Federal Extension Service) to provide that funds which are appropriated for the Extension Service in excess of the amount appropriated for the 1962 fiscal year shall be distributed under a slightly different formula than would apply under existing law. The new formula has the approval of all the State extension directors and of the Department of Agriculture.

The bill would modify the formula for apportionment of Federal Extension Service funds so that 4 percent of any increase in appropriations over the 1962 level would go to the Federal Extension Service, instead of to States on the basis of special needs, and 19.2 percent of any increase would go to States equally instead of on the basis of rural and farm population. It also provides for quarterly, instead of semiannual, payment of extension funds to States which will reduce Federal Government interest costs.

Under the proposed apportionment formula—

(A) Each State and the Federal Extension Service would receive a sum equal to that available to it for fiscal 1962, except that amounts available for 1962 on the basis of special needs would continue to be available on the same basis. (This is not a substantive change from existing law which gives each State the amount it received in 1953 plus any increases in subsequent years);

(B) Any sums appropriated in excess of those appropriated for fiscal 1962 would be apportioned as follows:

(i) 4 percent to the Federal Extension Service (instead of to States for special needs);

(ii) 19.2 percent to the States in equal proportions (new);

(iii) 38.4 percent (instead of 48) to the States on the basis of rural population; and

(iv) 38.4 percent (instead of 48) to the States on the basis of farm population.

Appropriations are still authorized for the purpose of apportionment on the basis of special needs under new section 7 (formerly sec. 8),¹ without regard to the above formula. Matching requirements are not changed, except that matching requirements for the 1962 level of appropriations are frozen in the same manner that matching requirements for the 1953 level of appropriations are now frozen. Matching of additional appropriations above the 1962 level would continue to be as required by Congress at the time of making the additional appropriations.

Table A (attached) illustrates how an additional \$1 million above the 1962 level of appropriations would be distributed among the States on the basis of the 1960 census.

Table B (attached) shows how funds equal to the 1962 level of appropriations would be distributed under section 3(b) of the act as it would be amended.

Distribution of \$1,000,000 extension funds under current and proposed Smith-Lever Act formula on basis of final 1960 census

State	Current formula	Proposed formula	Difference
Alabama.....	\$26,382	\$24,870	—\$1,512
Alaska.....	1,290	4,798	3,508
Arizona.....	4,543	7,399	2,856
Arkansas.....	20,043	19,799	—244
California.....	29,868	27,660	—2,208
Colorado.....	8,303	10,408	2,105
Connecticut.....	5,592	8,239	2,647
Delaware.....	2,006	5,370	3,364
Florida.....	14,743	15,559	816
Georgia.....	29,028	26,987	—2,041
Hawaii.....	1,659	5,092	3,433
Idaho.....	7,516	9,778	2,262
Illinois.....	35,820	32,421	—3,399
Indiana.....	31,574	29,025	—2,549
Iowa.....	33,575	30,625	—2,950
Kansas.....	18,184	18,312	128
Kentucky.....	33,094	30,240	—2,854
Louisiana.....	18,240	18,357	117

¹ Renumbering of former secs. 8 and 9 results from the repeal in 1960 of former sec. 7, which dealt with reports to Congress.

Distribution of \$1,000,000 extension funds under current and proposed Smith-Lever Act formula on basis of final 1960 census—Continued

State	Current formula	Proposed formula	Difference
Maine.....	5,719	8,340	2,621
Maryland.....	11,059	12,613	1,554
Massachusetts.....	8,533	10,591	2,058
Michigan.....	32,948	30,124	-2,824
Minnesota.....	31,022	28,582	-2,440
Mississippi.....	30,086	27,833	-2,253
Missouri.....	30,762	28,374	-2,388
Montana.....	6,480	8,949	2,469
Nebraska.....	16,013	16,576	563
Nevada.....	1,074	4,625	3,551
New Hampshire.....	2,822	6,022	3,200
New Jersey.....	7,736	9,953	2,217
New Mexico.....	4,780	7,589	2,809
New York.....	32,203	29,527	-2,676
North Carolina.....	51,158	44,691	-6,467
North Dakota.....	10,450	12,125	1,675
Ohio.....	39,927	35,707	-4,220
Oklahoma.....	16,224	16,745	521
Oregon.....	10,463	12,135	1,672
Pennsylvania.....	39,916	35,697	-4,219
Puerto Rico.....	37,737	33,954	-3,783
Rhode Island.....	1,145	4,680	3,535
South Carolina.....	23,998	22,963	-1,035
South Dakota.....	10,525	12,184	1,659
Tennessee.....	34,558	31,411	-3,147
Texas.....	44,175	39,104	-5,071
Utah.....	3,403	6,486	3,083
Vermont.....	3,729	6,747	3,018
Virginia.....	28,679	26,707	-1,972
Washington.....	13,398	14,482	1,084
West Virginia.....	14,045	15,000	955
Wisconsin.....	31,084	28,631	-2,453
Wyoming.....	2,689	5,914	3,225
4-percent special need.....	40,000		-40,000
4-percent Federal Extension Service.....		40,000	40,000
Total.....	1,000,000	1,000,000	0

NOTE.—Current formula based on 4-percent special need, 48 percent rural population, and 48 percent farm population. Proposed formula based on 4 percent Federal Extension Service and of remaining 96 percent, 20 percent equally to all States and Puerto Rico, 4 percent on farm, and 40 percent on rural population.

Distribution of funds under section 3(b) of the proposed amendment to the Smith-Lever Act

Alabama.....	\$2,070,148
Alaska.....	83,440
Arizona.....	278,000
Arkansas.....	1,682,683
California.....	1,500,586
Colorado.....	519,164
Connecticut.....	305,301
Delaware.....	139,867
Florida.....	705,341
Georgia.....	2,166,353
Hawaii.....	267,659
Idaho.....	394,017
Illinois.....	1,787,074
Indiana.....	1,493,102
Iowa.....	1,595,270
Kansas.....	1,059,143
Kentucky.....	2,056,781
Louisiana.....	1,351,042
Maine.....	388,549
Maryland.....	556,232
Massachusetts.....	436,660
Michigan.....	1,641,807
Minnesota.....	1,528,721
Mississippi.....	2,134,382
Missouri.....	1,800,597
Montana.....	385,816
Nebraska.....	886,560
Nevada.....	102,469
New Hampshire.....	201,477
New Jersey.....	428,357
New Mexico.....	355,453
New York.....	1,569,390
North Carolina.....	2,824,482
North Dakota.....	601,907
Ohio.....	2,043,549
Oklahoma.....	1,407,429
Oregon.....	576,754
Pennsylvania.....	2,057,719
Puerto Rico.....	1,793,387
Rhode Island.....	107,381
South Carolina.....	1,509,489
South Dakota.....	602,251

Distribution of funds under section 3(b) of the proposed amendment to the Smith-Lever Act—Continued

Tennessee.....	\$2,084,488
Texas.....	3,276,639
Utah.....	261,044
Vermont.....	250,840
Virginia.....	1,703,157
Washington.....	718,260
West Virginia.....	1,057,519
Wisconsin.....	1,528,923
Wyoming.....	197,941
Special needs.....	1,544,909
Total.....	58,020,000

DEPARTMENTAL APPROVAL

Following is the letter from the Secretary of Agriculture recommending enactment of this proposed legislation. The Bureau of the Budget indicated its concurrence subsequent to the writing of the Secretary's letter.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 11, 1962.

Hon. HAROLD D. COOLEY,
Chairman, Committee on Agriculture,
House of Representatives.

DEAR CONGRESSMAN COOLEY: This is in reply to the request of your committee for a report on H.R. 11240, a bill to amend the Smith-Lever Act of May 8, 1914, as amended, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, territories, and possessions receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the U.S. Department of Agriculture.

The Department supports the objectives of H.R. 11240, and recommends enactment of the bill.

The primary objectives of the bill are to: (1) Provide that each State and Puerto Rico shall be entitled to receive annually a sum equal to the sums received for the fiscal year 1962; (2) revise the formula for distributing amounts which may be appropriated in excess of the amounts allotted under (1) above; (3) allocate Federal funds to the States and Puerto Rico quarterly rather than on a semi-annual basis; and (4) make available to the States and Puerto Rico extension services increased use of General Services Administration facilities and excess Government property.

A more detailed description of the substantive amendments follows:

Section 3(b): The bill would amend section 3(b) to provide that each State and the Federal Extension Service shall be entitled to receive annually a sum equal to the sums received from Federal cooperative extension funds for the fiscal year 1962. This does not change the share each State is presently entitled to receive, regardless of population changes as reflected in the census. Under the present subsection 3(b), each State is entitled to receive an amount equal to the sums received for the fiscal year 1953, and under the present subsection 3(c) each State is entitled to receive any increase, over that necessary to make the allotments under subsection 3(b), on the basis of the census current at the time such increase was first appropriated. The matching provision remains the same. The present proviso in this subsection is omitted since Puerto Rico is now receiving the maximum set forth in such proviso.

Section 3(c): The formula for distribution of funds over those allocated under section 3(b) is revised to provide: 4 percent of such funds to the Federal Extension Service for administration and coordination of cooperative extension work and the remaining 96 percent to the States with 20 percent distributed equally, 40 percent on the basis of farm population and 40 percent on the basis of rural population. The matching provision remains the same.

Currently, the funds under this subsection are distributed to the States and Puerto Rico on the basis of 4 percent for special need purposes as determined by the Department, 48 percent on rural population, and 48 percent on farm population.

It is believed that the revised formula provides a more equitable disposition of funds and will advance the cooperative program on a nationwide basis.

The provision (beginning with line 23 on page 4) for the States to use General Services Administration facilities, including stores and supply schedules, and the entitlement to excess Federal property would permit economies in State extension service operations.

Section 4: Currently, funds are allocated to the States on a semiannual basis. The proposed bill would authorize payments on a quarterly basis. This should decrease the amount of money which the Treasury would have to borrow to make advance payments, with a resulting lower interest cost to the Treasury.

Other amendments include the definition of "State" in section 9 of the bill to mean the States and Puerto Rico, and the omission of the words "Alaska", and "Hawaii", and "Puerto Rico" in certain sections of the bill. The present section 8 and 9 become sections 7 and 8, due to the repeal in 1960 of section 7 of the act, providing for certain reports (74 Stat. 249).

A committee representing the American Association of Land-Grant Colleges and Universities worked closely with representatives of the Department in developing the background facts in connection with H.R. 11240.

In view of the request that the report be submitted immediately, we have not obtained the advice of the Budget Bureau on this proposed legislation.

Sincerely yours,
ORVILLE L. FREEMAN, Secretary.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2008, H.R. 7600, and subsequent measures on the calendar, in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVISION OF EFFECTIVE DATE PROVISIONS RELATING TO AWARDS

The Senate proceeded to consider the bill (H.R. 7600) to amend title 38, United States Code, to revise the effective date provisions relating to awards, and for other purposes, which had been reported from the Committee on Finance, with an amendment, on page 4, line 21, after the word "the", to strike out "deceased." and insert "deceased."

(k) The effective date of the award of benefits to a widow or of an award or increase of benefits based on recognition of a child, upon annulment of a marriage shall be the date the judicial decree of annulment becomes final if a claim therefor is filed within one year from the date the judicial decree of annulment becomes final; in all other cases the effective date shall be the date the claim is filed.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 2042), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE BILL

The bill would primarily make certain desirable modifications in the provisions of existing law governing the effective dates of awards, reductions and discontinuances of monetary benefits (disability and death compensation, disability and death pension, and dependency and indemnity compensation) under laws administered by the Veterans' Administration. In addition, it includes a restatement of certain provisions of existing laws and regulations. If enacted, the proposed revisions would make the effective date provisions more nearly uniform, simplify their administration, and resolve a number of problem areas. Generally the changes may be described as liberalizing. The major changes proposed are:

1. Disability benefits, in the event of the veteran-payee's death, would be discontinued the last day of the month before such death occurs, and death benefits would be awarded effective the first day of the month in which the death occurs (if claim therefor is filed within 1 year from death). Currently, disability benefits are discontinued as of the date of the veteran's death and benefits to his survivors are awarded effective the next day (if claim therefor is filed within 1 year from death). This change would considerably simplify administration. In the light of a savings provision in section 4 of the bill, no eligible widow would be adversely affected by this change.

2. The 2-year statute of limitation (set forth in 38 U.S.C. 351) within which claim must be filed for disability or death compensation or dependency and indemnity compensation authorized by that section for disability or death suffered as a result of hospitalization or medical or surgical treatment, or the pursuit of a course of vocational rehabilitation, would be repealed. Also, duplicate recoveries from the United States for the same disability, or death under section 351 and the Federal Tort Claims Act would be precluded by providing a setoff against compensation benefits of the amount of any recovery pursuant to a civil judgment, settlement, or compromise.

3. A uniform rule would be provided, for the first time, governing the effective dates of liberalizing laws or administrative issues that are enacted or promulgated in the future. This provision would, in many cases, obviate the necessity of a potential beneficiary filing a specific claim for the new benefit and would instead permit the Veterans' Administration, where feasible, to identify such beneficiaries and apply the provisions of the liberalized law and administrative issue on its own initiative. The provision would permit a retroactive period of payment of not more than 1 year, but in no event prior to the effective date of the law or issue.

4. A 1-year period would be provided for the submission of necessary evidence to perfect a claim for compensation and pension reopened after final adjudication as well as a claim for increased monetary benefits, similar to, and under the same circumstances as, the period currently provided by law for the perfection of original claims for such benefits.

5. Uniform rules would be established for the reduction or discontinuance of erroneous awards (a) based upon acts of commission or omission by beneficiaries—as of the date of the erroneous award; and (b) based upon administrative error or error in judgment—as of the date of last payment. The latter category would include errors arising from a

misunderstanding of instructions, regulations, or the construction of statutes.

6. Sections 110 and 359 of title 38 preserve certain total and permanent and total disability ratings and service connection, after the status concerned has continued for a period of years. Because of differing language employed in these sections, the periods involved do not now commence to run at the same time; i.e., one begins from the date on which the decision granting the status is signed, the other from the date on which the status itself became effective. The bill amends both sections 110 and 359 to assure that the period in question begins from the date determined by the Administrator as the date on which the status commenced for rating purposes.

BILL PASSED OVER

The bill (H.R. 12213) to provide for the temporary suspension of the duties on corkboard insulation and on cork stoppers was announced as next in order.

Mr. MANSFIELD. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

TAX RELIEF FOR INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN, AND HELPERS OF AMERICA LOCAL 863 PENSION FUND

The bill (H.R. 8205) to provide tax relief to the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America Local 863 pension fund and the contributors thereto was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 2044), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to provide that the International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America Local Union 863 pension fund, created January 10, 1955, and retroactively effective to September 1, 1954, as a result of an agreement between the International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America Local 863 and the A. & P. Contract Carriers Association, shall be deemed to have met the requirements of section 401(a) of the Internal Revenue Code of 1954 and shall be deemed to have been and to be exempt from tax under section 501(a) of the Internal Revenue Code of 1954 for the period beginning September 1, 1954, and ending December 31, 1956. This relief is to be extended only if it is shown to the satisfaction of the Secretary of the Treasury or his delegate that the trust has not in this period been operated in a manner which would jeopardize the interest of its beneficiaries.

GENERAL STATEMENT

The Internal Revenue Service has ruled that this fund, which was established under a collective bargaining agreement, meets the requirements for qualification under section 401 of the Internal Revenue Code for taxable years ending after May 22, 1957. However, the fund does not so qualify for prior taxable years, although the collective bargaining agreement specified that employers were to make contributions to the fund as of

September 1, 1954. This is because it was not until May 23, 1957, that a specific pension plan, indicating such features as the size of the benefits to be paid to retired employees and the eligibility requirement, was actually established.

H.R. 8205 would extend retroactive qualification under the Internal Revenue Code to the fund from September 1, 1954, the date from which the collective bargaining agreement provided for employer-pension contributions, until December 31, 1956. The objective of the bill is to give the employers concerned the right to deduct contributions, made to the fund before it qualified under the Internal Revenue Code, in the year such contributions took place. In addition, the bill seeks to grant the fund exemption from tax on its investment income during this prequalification period.

In previous years the Congress adopted legislation extending to a number of negotiated pension plans retroactive qualification under the Internal Revenue Code for periods in which they did not qualify under the provisions generally applicable. Such retroactive qualification for specific plans was provided by Private Law 85-540 approved August 8, 1958, by Public Law 86-781, approved September 14, 1960, by Public Law 86-779, approved September 14, 1960, and by Public Law 87-59, approved June 27, 1961.

In its report to the Committee on the Judiciary, House of Representatives, the Treasury Department indicated that it had no objection to the adoption of H.R. 8205 if it were amended to provide that retroactive qualification would be granted only "if it is shown to the satisfaction of the Secretary of the Treasury or his delegate that the plan has not in this period been operated in a manner which would jeopardize the interest of its beneficiaries." The bill as passed by the House and approved by the Committee on Finance includes such a requirement.

Except where there has been a waiver of assessment, the period of limitations provided by present law for the assessment and collection of tax and for granting refunds will have expired for the retroactive period covered by the bill. At present, claim for credit or refund of income tax must be filed within 3 years from the time the return was filed or 2 years from the time the tax was paid, whichever is later. Accordingly, for taxpayers on a calendar year basis, the period of limitations on filing a claim for refund has already expired for the tax years 1954 through 1956.

FAVORABLE DEPARTMENTAL VIEWS

Favorable reports were received from the Treasury Department and the Bureau of the Budget.

FREE ENTRY OF ONE NUCLEAR MAGNETIC RESONANCE SPECTROMETER AND ONE MASS SPECTROMETER FOR USE OF UNIVERSITY OF ILLINOIS

The bill (H.R. 12529) to provide for the free entry of one nuclear magnetic resonance spectrometer and one mass spectrometer for the use of the University of Illinois, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 2045), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:



An Act

76 STAT. 745.

To amend the Smith-Lever Act of May 8, 1914, as amended.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of May 8, 1914 (38 Stat. 372), as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and by the Act of August 11, 1955 (7 U.S.C. 347a), is hereby amended as follows:

Smith-Lever
Act, amend-
ment.
67 Stat. 83;
69 Stat. 683.

(a) Section 2 is amended by inserting the words "or Territory or possession" immediately before the words "receiving the benefits of this Act."

(b) Subsection 3(b) is amended by: (1) deleting the phrase "Alaska, Hawaii, Puerto Rico,"; (2) substituting the word "available" for the word "received"; (3) substituting the date "1962" for the date "1953"; (4) deleting the phrase "such sums shall be"; (5) deleting the phrase "Alaska, Hawaii, and Puerto Rico as existed immediately prior to the passage of this Act"; and (6) deleting the proviso to said subsection.

Federal Extension Service.
7 USC 343.

(c) Subsection 3(c)1 is amended to read as follows:

Appropriation
distribution.

"1. Four per centum of the sum so appropriated for each fiscal year shall be allotted to the Federal Extension Service for administrative, technical, and other services, and for coordinating the extension work of the Department and the several States, Territories, and possessions."

(d) Subsection 3(c)2 is amended by: (1) deleting so much thereof as precedes the first proviso and substituting therefor the following: "Of the remainder so appropriated for each fiscal year 20 per centum shall be paid to the several States in equal proportions, 40 per centum shall be paid to the several States in the proportion that the rural population of each bears to the total rural population of the several States as determined by the census, and the balance shall be paid to the several States in the proportion that the farm population of each bears to the total farm population of the several States as determined by the census:"; and (2) deleting the phrase "Alaska, Hawaii, and Puerto Rico" from the first proviso.

(e) Subsection 3(d) is amended by adding the word "additional" immediately after the word "such" in said subsection.

(f) Section 4 is amended by (1) deleting the phrase "Territory or possession" wherever it appears in said section; and (2) by striking out the phrase "equal semi-annual payments on the first day of January and July" and substituting the phrase "equal quarterly payments in or about July, October, January, and April".

Allocation of
funds on quar-
terly basis.

(g) Sections 5 and 6 are amended by deleting therefrom the phrases "Territory, or possession," and "Territory, or possession" wherever they occur therein.

(h) Subsection 8(b) is amended by deleting the phrase "Alaska, Hawaii, and Puerto Rico".

7 USC 347a.

(i) By adding a new section 10 reading as follows: "The term 'State' means the States of the Union and Puerto Rico."

Definition.

Approved October 5, 1962.

